

CITY OF MOUNTAIN VIEW  
MEMORANDUM

3.1

DATE: June 25, 2009

TO: City Council

FROM: Scott Plambaeck, Senior Planner

SUBJECT: JUNE 30, 2009 STUDY SESSION—HOUSING ELEMENT STATUS  
UPDATE AND DRAFT HOUSING NEEDS ASSESSMENT AND  
CONSTRAINTS REPORT

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**RECOMMENDATION**

Provide feedback regarding the Draft Housing Needs Assessment and Constraints Report.

**FISCAL IMPACT**—None.

**BACKGROUND AND ANALYSIS**

**The Housing Element—Mandatory Update**

The Housing Element is one of seven mandatory elements which must be included in a city's General Plan. The Housing Element is Mountain View's primary policy document regarding the development, rehabilitation and preservation of housing for all economic segments of the population. Unlike other General Plan elements, the Housing Element must be updated every five to seven years and is subject to a number of State requirements and detailed review by the State Department of Housing and Community Development (HCD). The City's Housing Element was last updated in 2002.

**Housing Element and General Plan Update**

The Housing Element must be consistent with the land use goals and policies set forth in the General Plan. The City has, therefore, incorporated housing-related questions into the General Plan update workshops. The goal is to collect information and have policy discussions about housing during the General Plan update process to help ensure consistency between the two documents.

### **Housing Element Schedule**

All Bay Area cities are required to submit a draft Housing Element to the State by June 30, 2009. However, as noted above, the City's goal is to integrate both the Housing Element and General Plan processes. This will provide for maximum consistency between both the Housing Element and General Plan documents. Therefore, the Housing Element schedule is being aligned with the General Plan schedule in terms of deliverables and overall timing.

Staff expects to submit a draft Housing Element to the State in December 2009. The final Housing Element would then be submitted in spring 2010. This Housing Element schedule aligns with the General Plan update schedule which is expected to be completed by December 2010.

### **Housing Element Requirements and Status**

Since the approval of the Bay Area Economics (BAE) contract in January, staff and BAE have been working on the attached Draft Housing Needs and Constraints Report. Staff and BAE presented the report to the Environmental Planning Commission (EPC) on April 22. The Draft Housing Needs and Constraints Report is one of several items required in a certified Housing Element. BAE and staff are currently analyzing potential housing sites analysis and developing the draft goals, policies and implementation actions for the Housing Element. Below is a description of the major State-mandated sections of a Housing Element and the status of each requirement in italics:

- **Review of the previous Housing Element.** This review needs to include the actual results of the previous Housing Element's goals, objectives, policies and programs. In addition, it needs to include an analysis of the significant differences between what was planned in the previous Housing Element and what was achieved.

*The Environmental Planning Commission (EPC) has reviewed and commented on the previous Housing Element goals, objectives, policies and programs. These comments are discussed later in this report.*

- **Housing Needs Assessment.** The Housing Needs Assessment must include an analysis of population and employment trends, housing characteristics, housing stock characteristics and special housing needs for the City.

*BAE has prepared a Draft Housing Needs Assessment which is attached to this report. Additional discussion of the Draft Housing Needs Assessment and Constraints Report is provided later in this staff report.*

- **Site inventory and analysis.** This includes a site inventory of vacant and nonvacant potential housing sites with information such as size, zoning, existing land use and General Plan designation. The site inventory analysis must assess the following:
  - Environmental constraints.
  - Infrastructure capacity.
  - Realistic development capacity.
  - Analysis of nonvacant and underutilized lands.

In addition, an adequate site alternative site analysis must include units in need of substantial rehabilitation and the potential for second units.

*Staff expects to have a draft site inventory completed in fall 2009.*

- **Analysis of potential governmental and nongovernmental constraints.** This is an analysis of government constraints that includes: a review of land use controls, such as zoning requirements, that may constrain the construction of housing; codes and enforcement; on-/off-site improvement requirements; fees and extractions; processing and permit procedures; and housing for persons with disabilities. An analysis of nongovernmental constraints includes the availability of financing, the price of land and the cost of construction.

*An analysis of constraints is included in the attached Draft Housing Needs Assessment and Constraints Report.*

- **Goals, Policies and Implementation Actions (Housing Programs).** This includes the necessary goals, policies and implementation actions to meet the needs of the community. These needs are identified in the Housing Element's housing needs, site inventory and analysis, and constraint sections.

*BAE and staff expect to introduce a draft Housing Programs to the EPC and Council in fall 2009.*

- **Consistency with the General Plan.** As noted, the Housing Element must be consistent with other elements of the General Plan. For example, policies listed in the Land Use Element and Circulation Element must not conflict with Housing Element policies.

*Ensuring consistency between all General Plan elements will be an ongoing process as both the General Plan and Housing Elements policies are developed.*

- **Public participation.** The Housing Element must explain how the City reached out to all economic segments of the community to involve them in the development of the Housing Element. This must include a description of how public input was considered and incorporated into the Housing Element.

*The City has held five meetings to discuss the Housing Element over the past years. The EPC also hosted meetings to discuss the previous Housing Element and review the Draft Housing Needs Assessment and Constraints Report. The EPC has hosted two workshops which included presentations from affordable housing advocates, nonprofit housing providers, real estate groups and developers. The workshops also included discussions of housing needs and challenges for the City.*

*The EPC will hold additional Housing Element meetings in the fall. All Housing Element stakeholders are on a mailing list and are noticed for every Housing Element meeting.*

#### **Draft Housing Needs Assessment and Constraints Report**

Bay Area Economics (BAE), the City's housing consultant, prepared the Draft Housing Needs and Constraints Report. This report uses the latest data available to describe the housing, economic and demographic conditions of the City. The report also identifies the housing, economic and demographic trends of the City. The Draft Housing Needs Assessment and Constraints Report is intended to assist the City in developing housing goals and formulating policies and actions to meet the needs identified in the report.

BAE presented the report to the EPC on April 22 and the report was updated based on comments from the EPC and the public. Aside from questions and clarifications about the report, the following comments were made about the report:

#### **EPC Comments**

- A Commissioner asked how the City can challenge ABAG's Regional Housing Allocation Numbers (RHNA) for the City. *Staff and BAE informed the EPC that the City has already commented on the RHNA numbers and the numbers cannot be changed at this point.*
- A Commissioner requested that the EPC review the potential housing sites. *Staff advised that they would bring the potential housing sites to the EPC for review at a later date.*

- A Commissioner requested attention be brought to the understatement of the homeless population and the possible overstatement of expected population and job growth within the City in coming years. *BAE advised the EPC that the homeless counts are from the 2007 Santa Clara County Homeless Survey and when the 2009 Santa Clara County Homeless survey is released, it will be incorporated into the Draft Housing Needs Assessment and Constraints Report.*

*BAE noted that the 2007 ABAG projections were used in the report. If the 2009 ABAG projections are released before the completion of the draft Housing Element, those numbers may be incorporated into the Draft Needs Assessment.*

- A member of the public asked if additional information from surrounding cities should be incorporated into the report to provide context. *BAE has included information from neighboring cities into the report to provide this additional context.*

Additionally, the Advocates for Affordable Housing provided written comments about the Draft Needs Assessment and Constraints Report that was presented to the EPC. AAH also provided policy recommendations in their comments. The following are the Advocates for Affordable Housing comments regarding the report presented to the EPC. Included are responses from BAE and staff. The policy recommendations will be discussed at a later date when the draft goals, policies and implementation programs are developed.

AAH provided several comments about the draft report, including using the most recent data in the report; further analyzing growth in the City since 1990; adding discussion about jobs that are not related to the information sector and the professional, scientific and technical services sector; providing commute pattern information; further discussion about housing for seniors; updated information about overcrowding; and further analysis regarding the City's past performance in meeting its RHNA numbers. A detailed list of these comments with BAE and staff responses is included as Attachment 4.

*Draft Needs Assessment and Constraints Report Findings*

The analysis in the attached report is required by the State to be included in the City's Housing Element. The data for the report incorporate data from numerous sources, including the United States (U.S.) Census; the Association of Bay Area Governments (ABAG); the State of California, Department of Finance; and Claritas, Inc., a private demographic data vendor; and interviews with service organizations and for-profit and nonprofit housing developers. Below are the findings of the report based on subject. A more detailed explanation is provided in the attached report.

**A. Demographic Trends.**

1. Mountain View experienced more moderate growth between 1990 and 2008 compared to the County and Bay Area as a whole.
2. Mountain View has lower home ownership rates and a higher proportion of single-person and nonfamily households compared to the County and Bay Area.
3. In 2008, the City's median household income of \$81,246 was slightly lower than the County but higher than the Bay Area's median household income.

**B. Employment Trends.**

1. Mountain View has experienced strong employment growth between 2003 and 2008.
2. Employment in Mountain View is concentrated in the information sector and the professional, scientific and technical services. There has also been an increase in jobs in other sectors such as wholesale trades, accommodation, food service, health and social assistance.
3. Mountain View is becoming an increasingly "jobs-rich" community where the number of jobs exceeds the number of employed residents. There has been an increase in ratio of jobs to employed residents between 2003 through 2008 from 1.2 to 1.4.
4. In 2000, 85 percent of Mountain View workers commuted to the City.

**C. Population and Employment Projections.**

1. ABAG projects the City will grow by 15,200 residents or 21 percent between 2005 and 2030, while Santa Clara County and the Bay Area, as a whole, will

experience larger population increases of 29 percent and 23 percent, respectively.

2. ABAG projects the City will experience a 38 percent increase in jobs between 2005 and 2030 while Santa Clara County and the Bay Area will see an increase of 46 percent and 43 percent.
3. ABAG projects population growth in Mountain View between 2005 and 2030 to be 21 percent which is projected to outpace growth in Cupertino and Sunnyvale where the number of residents is anticipated to increase by 11 percent and 16 percent, respectively. Palo Alto is expected to grow by 24 percent during the same time period.

**D. Housing Stock Characteristics.**

1. Mountain View has older housing stock that is generally in good condition.
2. Nineteen percent (19%) of the multi-family buildings in Mountain View are soft-story buildings. Soft-story buildings may be vulnerable to collapse and failure during earthquakes.
3. Fifty-six (56%) percent of Mountain View housing stock is multi-family housing compared to 34 percent for Santa Clara County and 36 percent for the Bay Area.
4. Between 2000-08, 54 percent or 753 of the residential building permits issued were for single-family units while 637 building permits were issued for units with large multi-family buildings with five or more units.

**E. Market Conditions and Housing Affordability.**

1. Home sales and prices and rents have remained relatively strong in Mountain View through the end of March 2009. Housing prices fell 9 percent on a year-over-year basis in Mountain View while Santa Clara County, as a whole, has seen a 40 percent decline. The median sales price at the end of 2008 for a single-family home in Mountain View was \$969,500, while the median sales price for a condominium was \$596,000. The average rent for all unit types in Mountain View was \$1,730 in the fourth quarter of 2008.
2. Because of Mountain View's high sales prices and monthly rents, housing remain largely unaffordable for many very low, low, and moderate households.

3. In 2000, 32 percent of renters and 29 percent of homeowners were overpaying for housing in the City. Overpaying assumes a household is spending more than 30 percent of its gross income on housing.

**F. Assisted Housing at Risk for Conversion.**

1. The State requires an analysis of affordable housing at potential risk for converting to market-rate housing during the 10-year period that follows the adoption of the Housing Element. Because two of the affordable housing projects, San Veron Park and Sierra Vista Apartments, need to renew their HUD affordability contracts, an analysis is required.

The Draft Needs Assessment and Constraints Report provides an analysis on the cost to replace the units in the above projects as required by the State. However, these projects are owned and operated by nonprofit organizations that are committed to maintaining the projects as affordable in the foreseeable future. It is expected that both projects will remain affordable in the foreseeable future.

**G. Analysis of Special Needs Population.** This includes an analysis of needs for the City's elderly population, persons with disabilities, large households, female head of households, homeless and farm workers.

1. *Seniors*
  - a. Seniors in Mountain View have a significantly greater home ownership rate than residents under 65 but also have lower incomes. However, 68 percent of Mountain View seniors own their own homes compared to 77 percent for Santa Clara County.
  - b. Senior renters in Mountain View are more likely to be lower income than senior homeowners.
  - c. Very-low-income seniors have the highest incidence of housing cost burden. Approximately 73 percent overpaid for housing and 43 percent severely overpaid for housing in 2000.
  - d. While there are a number of subsidized independent senior housing projects, there are no affordable assisted-living facilities in Mountain View.

2. *Persons with Disabilities*

- a. According to the U.S. Census, approximately 15 percent of Mountain View civilian, noninstitutionalized residents, ages five and older, report some kind of disability, while 16 percent of residents throughout Santa Clara County have some kind of disability. Mountain View has four licensed community care facilities with a total capacity of 33 residents that serve individuals with disabilities.

3. *Large Households*

- a. Compared to Santa Clara County, Mountain View has a small proportion of large households. The U.S. Census Bureau defines large households as those with five or more persons.

4. *Female Head of Households*

- a. The City has a slightly lower proportion of single-parent, female-headed households than Santa Clara County.

5. *Homeless*

- a. According to the January 2007 Santa Clara County Homeless Survey, 122 homeless individuals identified themselves as Mountain View residents. Of these 122 homeless individuals identified in Mountain View, approximately 89 percent were unsheltered.
- b. Mountain View currently does not have an emergency homeless shelter. California Senate Bill SB 2 now requires cities to identify a zoning district that permits by right a homeless shelter within one year of the adoption of the Housing Element.

6. *Farm Workers*

- a. The City of Mountain View does not have a large population of farm workers. According to the California Employment Development Department, there were 24 individuals working in the agriculture, forestry, fishing and hunting industry in Mountain View in the first quarter of 2008.

**H. RHNA Numbers.**

1. Mountain View's Regional Housing Needs Allocation (RHNA) for the 2007-14 planning period is included in Table 1 below. The table also notes that 476 building permits have been issued since January 1, 2007 which count toward satisfying the City's RHNA obligation.

**TABLE 1:  
CITY OF MOUNTAIN VIEW RHNA NUMBERS AND  
BUILDING PERMITS ISSUED SINCE JANUARY 1, 2007**

<b>State-Identified Affordability Categories</b>	<b>Current RHNA (2007-14)</b>	<b>Total Units Added Current RHNA Cycle 2007</b>	<b>Total Units Added Current RHNA Cycle 2008</b>	<b>Net Units Needed</b>
Very Low (up to 50% AMI)	571	104	0	467
Low (51%-80% AMI)	388	0	0	388
Moderate (81%-120% AMI)	488	4	0	484
Above Moderate (Over AMI)	1,152	269	99	784
<b>TOTAL</b>	<b>2,599</b>	<b>377</b>	<b>99</b>	<b>2,123</b>

3. Extremely low-income households may require special housing solutions such as supportive housing or efficiency studios. The City has a projected need of 234 units for extremely low-income households over the 2007-14 planning period (50 percent of the City's 467 very-low-income RHNA).

**I. Analysis of Government Constraints.**

1. Mountain View's Zoning Ordinance generally does not act as a constraint to new housing production.
2. City policies constrain the development of companion units.

3. Mountain View's Below-Market-Rate Housing Ordinance offers sufficient flexibility to developers and does not pose a constraint to production.
4. The City's development impact fees and exactions appear reasonable and comparable to those of other jurisdictions.
5. Mountain View's planning process for approving new residential developments can help facilitate the entitlement process.
6. In order to comply with State law, Mountain View must identify a zoning district that allows permanent emergency shelters as a permitted use without any discretionary permits one year after the adoption of the Housing Element.
7. Mountain View's Zoning Ordinance establishes a limit on the number of new efficiency studio units built in the City. A maximum of 180 efficiency studios may be brought into service after December 24, 1992. A total of 118 units have been built since the limit was established, resulting in 62 units remaining under the cap. This may constrain the development of new efficiency projects in Mountain View.
8. Mountain View's Zoning Ordinance does not offer a procedure for processing reasonable accommodations requests for people with physical disabilities. Federal and State fair housing laws require jurisdictions to make reasonable accommodations to their zoning and land use policies when such accommodations are necessary to provide equal access to housing for persons with disabilities.

**J. Analysis of Nongovernment Constraints.**

1. The decline in the housing market and the current economic downturn represent a constraint to new housing production. Local developers report that far fewer housing units will be produced over the next few years due to the lack of available financing resulting from tightening credit markets.
2. Land costs in Mountain View are generally high due to the high demand and limited supply of available land.
3. In recent months, key construction costs have fallen nationally in conjunction with the residential real estate market. However, while land costs and construction costs have declined, developers report that they have not declined enough to offset falling sales prices.

4. Public opinion, particularly community concern over higher-density development, may constrain housing production in Mountain View. Projects in many jurisdictions, including Mountain View, often encounter some form of resistance from neighbors and residents. Engagement with local neighborhood associations and other community involvement processes can help to mitigate concern over new residential development.

### CONCLUSION AND NEXT STEPS

Staff has the following questions for Council:

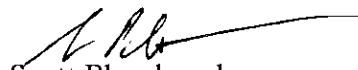
1. Does the Council have comments or questions regarding the findings in the Draft Needs Assessment and Constraints Report?
2. Are there other items related to housing needs or constraints that should be considered that were not in the report as we move forward with the Housing Element update?

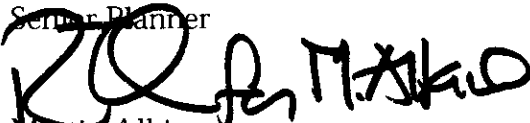
Staff and BAE will incorporate Council's comments into the Draft Needs Assessment and Constraints Report. Staff and BAE will then present draft goals, policies and actions, and a potential site analysis to the EPC and Council in fall 2009.

### PUBLIC NOTICING

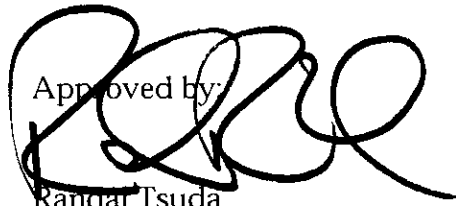
Interested stakeholders on the Housing Element mailing list, agenda posting and noticing in the local newspaper.


Prepared by:

  
Scott Plambaeck  
Senior Planner

  
Martin Alkire  
Principal Planner

Approved by:

  
Randal Tsuda  
Community Development Director

  
Kevin C. Duggan  
City Manager

SP/MA/9/CAM/804-06-30-09M-E^

- Attachments:
1. Draft Needs and Assessment and Constraints Report
  2. April 22, 2009 EPC Minutes
  3. Advocates for Affordable Housing Comments
  4. Staff and BAE Response to Advocates for Affordable Housing Comments

DRAFT 6-17-09



**City of Mountain View  
Housing Element:  
Draft Needs Assessment and Constraints  
2007-2014**

Bay Area Economics

San Francisco Bay Area

Sacramento

New York

Washington, D.C.

Headquarters 510.547.9380  
1285 66th Street fax 510.547.9388  
Emeryville, CA 94608 bae1@bae1.com  
bayareaeconomics.com

# Table of Contents

<b>1.</b>	<b>Introduction .....</b>	<b>1</b>
1.1.	Role and Content of Housing Element .....	1
<b>2.</b>	<b>Housing Needs Assessment .....</b>	<b>3</b>
2.1.	Demographic Trends.....	3
2.2.	Employment Trends.....	10
2.3.	Population and Employment Projections.....	15
2.4.	Housing Stock Characteristics .....	17
2.5.	Market Conditions and Housing Affordability .....	23
2.6.	Assisted Housing at Risk of Conversion .....	36
2.7.	Special Needs Populations.....	41
<b>3.</b>	<b>Projected Housing Needs .....</b>	<b>59</b>
3.1.	Regional Housing Needs Allocation (RHNA).....	59
3.2.	Housing Needs for Extremely Low-Income Households .....	60
<b>4.</b>	<b>Housing Constraints .....</b>	<b>63</b>
4.1.	Governmental Constraints .....	63
4.2.	Non-Governmental Constraints .....	77
<b>5.</b>	<b>Appendix A: List of Individuals and Organizations Contacted.....</b>	<b>82</b>
<b>6.</b>	<b>Appendix B: Needs Assessment Data Sources .....</b>	<b>84</b>
<b>7.</b>	<b>Appendix C: Projections for Neighboring Cities .....</b>	<b>87</b>
<b>8.</b>	<b>Appendix D: Calculations of Affordable Sales Price .....</b>	<b>90</b>
<b>9.</b>	<b>Appendix E: Summary of City Zoning Standards .....</b>	<b>92</b>
<b>10.</b>	<b>Glossary .....</b>	<b>103</b>

# 1. Introduction

## 1.1. Role and Content of Housing Element

The Housing Element establishes a comprehensive, long-term plan to address the housing needs of the City of Mountain View. Along with seven other mandated elements, the State requires that a Housing Element be a part of the General Plan. Updated every five to seven years, the Housing Element is Mountain View's primary policy document regarding the development, rehabilitation, and preservation of housing for all economic segments of the population. Per State Housing Element law, the document must:

- Outline a community's housing production objectives;
- List policies and implementation programs to achieve local housing goals;
- Examine the need for housing resources in a community, focusing in particular on special needs populations;
- Identify adequate sites for the production of housing serving various income levels;
- Analyze the potential constraints to production; and
- Evaluate the Housing Element for consistency with other components of the General Plan.

### ***Authority***

Housing elements are required as a mandatory element of General Plans by Sec. 65580(c) of the Government Code. In 1980, the State Legislature passed a bill (AB2853) which put into statute much of the advisory guidelines regarding housing element content including: the needs assessment; goals, objectives and policies; and implementation program. Since that time, the Legislature has made a number of modifications to the law, which are reflected in this update.

### ***Status***

This document is an update to the Housing Element of the City of Mountain View General Plan. The current Housing Element was adopted by the City Council on December 10, 2002 and certified by the State on January 3, 2003. The Housing Element update process is planned to coincide with the City's General Plan update process tentatively planned to be completed in December of 2010. This updated Housing Element focuses on housing needs from January 1, 2007 through June 30, 2014, in accordance with the Housing Element planning period for San Francisco Bay Area jurisdictions established by State law.

### ***Relationship with General Plan***

State Law requires that a General Plan and its constituent elements "comprise an integrated, internally consistent and compatible statement of policies." This implies that all elements have equal legal status and no one element is subordinate to any other element. The Housing Element

must be consistent with land use goals and policies set forth in the Land Use Element, and closely coordinated with the Circulation Element of the General Plan. The concurrent update of the City's Housing Element and General Plan is designed to ensure consistency between the two planning documents.

## 2. Housing Needs Assessment

The purpose of the Housing Needs Assessment is to describe housing, economic, and demographic conditions in Mountain View, assess the demand for housing for households at all income levels, and document the demand for housing to serve various special needs populations. The Needs Assessment is intended to assist Mountain View in developing housing goals and formulating policies and programs that address local housing needs.

To facilitate an understanding of how the characteristics of Mountain View are similar to, or different from, other nearby communities, this Needs Assessment presents data for Mountain View alongside comparable data for all of Santa Clara County and, where appropriate, for the San Francisco Bay Area as a whole.

This Needs Assessment incorporates data from numerous sources, including the United States Census; the Association of Bay Area Governments; the State of California, Department of Finance; and Claritas, Inc., a private demographic data vendor. A complete explanation of data sources used in this Needs Assessment is provided in Appendix B. Whenever possible, the Needs Assessment presents recent data that reflects current market and economic conditions. However, in some cases, the 2000 U.S. Census provides the most reliable data and more up-to-date information is unavailable.

### 2.1. Demographic Trends

#### ***Population***

Mountain View is a city with an estimated population of 73,618 residents in 2008. As shown in Table 2.1, the City has experienced moderate growth since 1990, with a population increase of nine percent. As a City with few vacant parcels for new residential development, Mountain View did not grow as rapidly as Santa Clara County or the Bay Area as a whole. The County's population has increased by 22 percent since 1990, while the Bay Area grew by 21 percent during the same period.

Mountain View also grew at a slower pace than neighboring cities Cupertino, Palo Alto, and Sunnyvale. Between 1990 and 2008, Cupertino's population increased by 37 percent, while the number of residents in Palo Alto and Sunnyvale grew by 13 percent and 17 percent, respectively. (See Appendix C for complete population and household trends for the neighboring cities of Cupertino, Palo Alto, and Sunnyvale.)

#### ***Households***

The Census Bureau defines a "household" as a person or group of persons living in a housing unit,

as opposed to persons living in group quarters, such as dormitories, convalescent homes, or prisons. According to the California Department of Finance, Mountain View contained 32,247 households in 2008. The number of households in the City, County, and region has grown at a slightly slower pace than population since 1990. The number of households in Mountain View increased by eight percent between 1990 and 2008, while the County and Bay Area household total grew by 17 percent and 18 percent, respectively.

**Table 2.1: Population and Household Trends, 1990-2008 (a)**

	1990	2000	2008(est) (b)	% Change 1990-2008	% Change 2000-2008
<b>Mountain View</b>					
Population	67,460	70,708	73,618	9.1%	4.1%
Households	29,990	31,242	32,247	7.5%	3.2%
Average Household Size	2.23	2.25	2.27		
<b>Household Type (c)</b>					
Families	51.4%	50.9%	51.1%		
Non-Families	48.6%	49.1%	48.9%		
<b>Tenure (d)</b>					
Owner	37.8%	41.5%	41.4%		
Renter	62.2%	58.5%	58.6%		
<b>Santa Clara County</b>					
Population	1,497,577	1,682,585	1,829,480	22.2%	8.7%
Households	520,180	565,863	608,683	17.0%	7.6%
Average Household Size	2.81	2.92	2.95		
<b>Household Type (c)</b>					
Families	69.1%	69.9%	69.9%		
Non-Families	30.9%	30.1%	30.1%		
<b>Tenure (d)</b>					
Owner	59.1%	59.8%	59.3%		
Renter	40.9%	40.2%	40.7%		
<b>Bay Area (e)</b>					
Population	6,023,577	6,783,760	7,287,025	21.0%	7.4%
Households	2,246,242	2,466,019	2,641,211	17.6%	7.1%
Average Household Size	2.61	2.69	2.70		
<b>Household Type (c)</b>					
Families	64.9%	59.1%	64.8%		
Non-Families	35.1%	40.9%	35.2%		
<b>Tenure (d)</b>					
Owner	56.4%	56.4%	57.8%		
Renter	43.6%	43.6%	42.2%		

**Notes:**

(a) 1990 and 2000 data provided by the U.S. Census. 2008 data provided by California Department of Finance.

(b) 2008 Household Type and Tenure data provided by Claritas.

(c) The Census defines a family household as a householder living with one or more individuals related by birth, marriage, or adoption.

(d) Tenure distinguishes between owner occupied and renter occupied housing units.

(e) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

Sources: U.S. Census, 1990, 2000; CA Department of Finance, Table E-5, 2009; Claritas, 2008; BAE, 2009.

### ***Homeownership Rate***

Housing “tenure” distinguishes between owner-occupied housing units and renter-occupied units. Mountain View has a relatively low homeownership rate compared to Santa Clara County and the rest of the Bay Area. In 2008, approximately 41 percent of Mountain View households owned their homes while 59 percent of County households and 58 percent of Bay Area households were homeowners. The City’s homeownership rate has increased slightly since 1990 when 38 percent of households owned their homes.

Despite the slight increase in the percent of homeowners in the City since 1990, Mountain View’s homeownership rate was lower than in other neighboring cities in 2008. Approximately 47 percent of households in Sunnyvale owned their own homes. In addition, the majority of households in Cupertino and Palo Alto were homeowners; the homeownership rate in Cupertino and Palo Alto was 64 percent and 56 percent, respectively.<sup>1</sup>

### ***Household Composition***

Average household size is a function of the number of people living in households divided by the number of occupied housing units in a given area. In Mountain View, the average household size in 2008 was 2.27, lower than the Santa Clara County figure of 2.95. Because population growth has outpaced the increase in households in Mountain View and the County, the average household size has increased for both jurisdictions since 1990.

The smaller household sizes in Mountain View can be attributed to the higher proportion of single-person households. As shown in Table 2.2, single-person households comprised 36 percent of all Mountain View households, compared to just 22 percent of Santa Clara County households and 26 percent of households in the Bay Area. Mountain View is also characterized by a higher proportion of non-family households.<sup>2</sup> Thirteen percent of households with two or more people in Mountain View were non-family households in 2008. By comparison, approximately nine percent of households in the County and Bay Area were non-family households.

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<sup>1</sup> See Appendix C for complete Population and Household Trends for the neighboring cities of Cupertino, Palo Alto, and Sunnyvale.

<sup>2</sup> The U.S. Census Bureau defines a non-family household as a householder living alone or with nonrelatives only.

**Table 2.2: Household Type, 2008**

Household Type	Mountain View		Santa Clara County		Bay Area (a)	
	Number	% Total	Number	% Total	Number	% Total
<b>1-Person Household:</b>	<b>11,180</b>	<b>35.7%</b>	<b>128,289</b>	<b>21.6%</b>	<b>660,906</b>	<b>25.8%</b>
Male Householder	5,889	18.8%	62,401	10.5%	299,035	11.7%
Female Householder	5,291	16.9%	65,888	11.1%	361,871	14.2%
<b>2 or More Person Household:</b>	<b>20,162</b>	<b>64.3%</b>	<b>466,072</b>	<b>78.4%</b>	<b>1,895,884</b>	<b>74.2%</b>
<b>Family Households (b)</b>	<b>16,009</b>	<b>51.1%</b>	<b>415,349</b>	<b>69.9%</b>	<b>1,656,885</b>	<b>64.8%</b>
Married-Couple Family:	12,571	40.1%	325,619	54.8%	1,264,782	49.5%
With Own Children Under 18 years	5,430	17.3%	164,975	27.8%	610,289	23.9%
Other Family:	3,438	11.0%	89,730	15.1%	392,103	15.3%
Male Householder, No Wife Present:	1,156	3.7%	29,634	5.0%	115,208	4.5%
With Own Children Under 18 years	444	1.4%	12,075	2.0%	50,631	2.0%
Female Householder, No Husband Present:	2,282	7.3%	60,096	10.1%	276,895	10.8%
With Own Children Under 18 years	1,053	3.4%	30,491	5.1%	145,391	5.7%
<b>Non-Family Households (c)</b>	<b>4,153</b>	<b>13.3%</b>	<b>50,723</b>	<b>8.5%</b>	<b>238,999</b>	<b>9.3%</b>
Male Householder	2,553	8.1%	31,114	5.2%	136,967	5.4%
Female Householder	1,600	5.1%	19,609	3.3%	102,032	4.0%
<b>Total Households (d)</b>	<b>31,342</b>	<b>100.0%</b>	<b>594,361</b>	<b>100.0%</b>	<b>2,556,790</b>	<b>100.0%</b>

**Notes:**

(a) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

(b) The U.S. Census Bureau defines a family as a householder living with one or more individuals related by birth, marriage, or adoption.

(c) The U.S. Census Bureau defines a non-family household as a householder living alone or with nonrelatives only.

(d) Total households here may differ from household estimates provided by California Department of Finance shown in Table 2.1.

Sources: Claritas, 2008; BAE, 2009.

**Age Distribution**

Mountain View's higher percentage of renters and single-person households, along with the City's smaller household size suggests that many younger workers live in the City. The age distribution of Mountain View residents supports this notion. As shown in Table 2.3, the City has a lower proportion of children under the age of 18 years old (20 percent) than Santa Clara County (25 percent) and the Bay Area (23 percent). In addition, Mountain View's percentage of residents between the ages of 25 and 34 years old and 35 and 44 years old is higher than the County and regional proportions. Due to the lower percentage of children in Mountain View, the City has a higher median age (38.1 years) than Santa Clara County (36.7 years).

**Table 2.3: Age Distribution, 2008**

<b>Age Cohort</b>	<b>Mountain View</b>		<b>Santa Clara County</b>		<b>Bay Area (a)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 15	12,435	17.5%	376,965	21.2%	1,367,072	19.3%
15 to 17	1,875	2.6%	68,875	3.9%	277,399	3.9%
18 to 20	1,578	2.2%	66,999	3.8%	262,568	3.7%
21 to 24	2,464	3.5%	88,193	5.0%	347,445	4.9%
25 to 34	13,123	18.4%	237,195	13.4%	952,858	13.4%
35 to 44	13,507	19.0%	297,244	16.7%	1,117,804	15.8%
45 to 54	10,982	15.4%	265,236	14.9%	1,093,401	15.4%
55 to 64	7,195	10.1%	183,950	10.4%	820,904	11.6%
65 to 74	4,082	5.7%	105,245	5.9%	446,131	6.3%
75 to 84	2,808	3.9%	61,956	3.5%	280,963	4.0%
85 +	1,182	1.7%	24,380	1.4%	125,486	1.8%
<b>Total (b)</b>	<b>71,231</b>	<b>100.0%</b>	<b>1,776,238</b>	<b>100.0%</b>	<b>7,092,031</b>	<b>100.0%</b>
<b>Median Age</b>	<b>38.1</b>		<b>36.7</b>		<b>38.0</b>	

**Notes:**

(a) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties

(b) Total population here may differ from population estimates provided by California Department of Finance shown in Table 2.1.

Sources: Claritas, 2008; BAE 2009.

**Household Income**

According to Claritas estimates, the 2008 median household income in Mountain View was \$81,246 (see Table 2.4). This figure is slightly lower than the Santa Clara County median household income of \$85,454, but higher than the Bay Area median of \$74,275.

Given Mountain View's relatively small household sizes, it is not surprising that the City's median household income falls below the County's. However, on a per capita basis, Mountain View residents are actually wealthier than the County as a whole. The median per capita income in the City was \$46,644 in 2008, substantially higher than the County's median of \$37,470.

**Table 2.4: Household Income, 2008**

<b>Household Income</b>	<b>Mountain View</b>		<b>Santa Clara County</b>		<b>Bay Area (a)</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than \$15,000	2,096	6.7%	37,893	6.4%	208,322	8.1%
\$15,000 to \$24,999	1,792	5.7%	30,785	5.2%	163,949	6.4%
\$25,000 to \$34,999	1,821	5.8%	34,517	5.8%	177,443	6.9%
\$35,000 to \$49,999	3,470	11.1%	58,619	9.9%	291,229	11.4%
\$50,000 to \$74,999	5,367	17.1%	99,221	16.7%	450,515	17.6%
\$75,000 to \$99,999	4,504	14.4%	86,440	14.5%	362,903	14.2%
\$100,000 to \$149,999	6,115	19.5%	122,222	20.6%	474,017	18.5%
\$150,000 to \$249,999	4,477	14.3%	87,039	14.6%	292,620	11.4%
\$250,000 to \$499,999	1,238	3.9%	25,535	4.3%	89,355	3.5%
\$500,000 and over	462	1.5%	12,090	2.0%	46,437	1.8%
<b>Total (b)</b>	<b>31,342</b>	<b>100.0%</b>	<b>594,361</b>	<b>100.0%</b>	<b>2,556,790</b>	<b>100.0%</b>
<b>Median Household Income</b>	<b>\$81,246</b>		<b>\$85,454</b>		<b>\$74,275</b>	
<b>Median Per Capita Income</b>	<b>\$46,644</b>		<b>\$37,470</b>		<b>\$36,322</b>	

**Notes:**

(a) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

(b) Total population here may differ from population estimates provided by California Department of Finance shown in Table 2.1.

Sources: Claritas, 2008; BAE, 2009.

**Key Draft Demographic Findings**

- **Mountain View has experienced more moderate growth compared to Santa Clara County and the Bay Area as a whole.** Between 1990 and 2008, the City's population increased by nine percent, from 67,460 to 73,618. During the same period, the number of residents living in the County and Bay Area increased by 22 percent and 21 percent, respectively.
- **Mountain View is characterized by a lower homeownership rate and higher proportion of single-person and non-family households.** Approximately 41 percent of Mountain View households owned their home in 2008, compared to 59 percent of Santa Clara households. Single-person households comprise 36 percent of all households in the City, while 22 percent of Santa Clara County households are one-person households. As a result of the higher proportion of single-person and non-family households, the City's average household size of 2.27 is smaller than the County and Bay Area's average household size. These trends suggest that many younger workers live in the City.
- **In 2008, the City's median household income of \$81,246 was slightly lower than the County median but higher than the Bay Area's median household income.** However, on a

per capita basis, Mountain View residents are actually wealthier than the County as a whole. The median per capita income in the City was \$46,644 in 2008, compared to \$37,470 in Santa Clara County.

## **2.2. Employment Trends**

Table 2.5, Table 2.6 and Table 2.7 provide a summary of employment by industry sector and the number of employed residents in Mountain View and Santa Clara County based on data from California Employment Development Department.

### ***Local Employment Opportunities***

As shown in Table 2.5, the number of jobs in Mountain View grew by 19 percent between 2003 and 2008, more than three times the growth in jobs for Santa Clara County as a whole. Mountain View added over 9,000 jobs in the five year period, for a total of 56,228 jobs in 2008.

Employment in Mountain View is concentrated in the information sector and the professional, scientific, and technical services sector, each representing 20 percent of the City's jobs. The information sector in particular has grown substantially since 2003, with a 294 percent increase in jobs. Much of the growth of this sector, which includes information services such as internet publishing and web search portals, can be attributed to the growth of companies such as Google Inc., one of Mountain View's largest employers. At the same time, other industries, which may be associated with somewhat lower-paying jobs, have also seen increases in the number of employees. Employment in the wholesale trade industry increased by 26 percent while accommodation and food services employment grew by 19 percent. The manufacturing industry, which decreased nine percent, and the health care and social assistance industry have a large presence in Mountain View. These sectors each represent 10 percent of the City's employment. Employment in the health care and social assistance industry increased by 39 percent between 2003 and 2008.

Table 2.5: Jobs by Sector, Q1 2003 – Q1 2008 (a)

Industry Sector	Mountain View					Santa Clara County				
	Q1 2003		Q1 2008		% Change 2003-2008	Q1 2003		Q1 2008		% Change 2003-2008
	Jobs	% Total	Jobs	% Total		Jobs	% Total	Jobs	% Total	
Agric., Forestry, Fishing and Hunting	60	0.1%	24	0.0%	-59.7%	3,848	0.4%	3,228	0.4%	-16.1%
Mining (b)	0	0.0%	0	0.0%	0.0%	151	0.0%	253	0.0%	67.5%
Construction	1,762	3.7%	1,845	3.3%	4.7%	38,001	4.4%	42,948	4.7%	13.0%
Manufacturing	6,967	14.8%	5,697	10.1%	-18.2%	180,585	21.1%	164,700	18.2%	-8.8%
Utilities (b)	0	0.0%	0	0.0%	0.0%	1,453	0.2%	1,807	0.2%	24.4%
Wholesale Trade	2,840	6.0%	3,569	6.3%	25.7%	34,799	4.1%	40,174	4.4%	15.4%
Retail Trade	4,822	10.2%	4,406	7.8%	-8.6%	81,090	9.5%	82,989	9.2%	2.3%
Transportation and Warehousing	135	0.3%	98	0.2%	-27.2%	12,899	1.5%	11,016	1.2%	-14.6%
Information	2,911	6.2%	11,454	20.4%	293.5%	32,388	3.8%	41,080	4.5%	26.8%
Finance and Insurance	571	1.2%	739	1.3%	29.5%	19,525	2.3%	20,538	2.3%	5.2%
Real Estate and Rental and Leasing	750	1.6%	600	1.1%	-20.0%	14,710	1.7%	15,078	1.7%	2.5%
Professional, Scientific, and Technical Services	13,026	27.6%	11,195	19.9%	-14.1%	102,119	11.9%	113,512	12.5%	11.2%
Management of Companies and Enterprises	503	1.1%	276	0.5%	-45.0%	15,920	1.9%	9,763	1.1%	-38.7%
Administrative and Waste Services	1,958	4.2%	2,530	4.5%	29.2%	46,899	5.5%	54,342	6.0%	15.9%
Educational Services	412	0.9%	718	1.3%	74.3%	22,993	2.7%	28,605	3.2%	24.4%
Health Care and Social Assistance	4,185	8.9%	5,805	10.3%	38.7%	65,479	7.6%	73,177	8.1%	11.8%
Arts, Entertainment, and Recreation	333	0.7%	419	0.7%	25.6%	8,667	1.0%	9,642	1.1%	11.2%
Accommodation and Food Services	2,756	5.8%	3,273	5.8%	18.7%	56,481	6.6%	63,967	7.1%	13.3%
Other Services, except Public Administration	1,223	2.6%	1,622	2.9%	32.6%	25,162	2.9%	31,815	3.5%	26.4%
Unclassified	2	0.0%	105	0.2%	5133.3%	114	0.0%	2,864	0.3%	2412.3%
Government (c)	1,970	4.2%	1,853	3.3%	-5.9%	94,595	11.0%	94,150	10.4%	-0.5%
<b>Total</b>	<b>47,185</b>	<b>100.0%</b>	<b>56,228</b>	<b>100.0%</b>	<b>19.2%</b>	<b>857,878</b>	<b>100.0%</b>	<b>905,648</b>	<b>100.0%</b>	<b>5.6%</b>

## Notes:

(a) Includes all wage and salary employment covered by unemployment insurance.

(b) There was no employment in either the Mining or Utilities sectors within the city of Mountain View.

(c) Government employment includes workers in all sectors, not just public administration. For example, all public school staff are in the Government category.

Sources: California Employment Development Department, 2009; BAE, 2009.

ABAG projects how the overall employment level in Mountain View, as well as the distribution among industry sectors, is anticipated to change in the future. As shown in Table 2.5, the total number of jobs in Mountain View sphere of influence is expected to increase by 40 percent between 2005 and 2030.<sup>3</sup> Employment in the “Other” jobs sector, which includes the information, construction, and public administration industries, is expected to experience the largest growth, with a projected increase of 61 percent between 2005 and 2030.

<sup>3</sup> The sphere of influence is a planning area that is usually larger than the city’s municipal limits. The County Local Agency Formation Commission (LAFCO) assigns spheres of influence, which typically indicate the probable ultimate boundaries of a city (including areas which may eventually be annexed). ABAG does not publish employment projections by sector for Mountain View jurisdictional boundary only.

**Table 2.6: Mountain View Employment Projections by Sector 2005-2030 (a)**

<b>Job Sector</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>% Change 2005-2030</b>
Agriculture and Natural Resources	100	100	100	100	100	100	0.0%
Manufacturing, Wholesale, and Transportation	15,150	15,200	15,730	16,330	16,990	17,700	16.8%
Retail	5,910	5,950	6,390	6,850	7,320	7,810	32.1%
Financial and Professional Services	15,570	15,960	17,540	19,140	20,870	22,680	45.7%
Health, Educational, and Recreational Services	10,000	10,500	11,580	12,750	13,950	15,210	52.1%
Other Jobs (b)	8,570	9,210	10,350	11,460	12,630	13,830	61.4%
<b>Total</b>	<b>55,300</b>	<b>56,920</b>	<b>61,690</b>	<b>66,630</b>	<b>71,860</b>	<b>77,330</b>	<b>39.8%</b>

**Note:**

(a) Mountain View's job count includes city's sphere of influence. The sphere of influence, defined by the Local Agency Formation Commission (LAFCO), is an area larger than the City's municipal limits that indicates the probable ultimate boundaries of the City (including areas which may eventually be annexed). Data limited to the City's municipal boundaries is not available.

(b) "Other" jobs include the construction, information, and public administration industries.

Sources: Association of Bay Area Governments Projections, 2007; BAE, 2009.

**Jobs-Housing Balance**

Jurisdictions often seek a balance between housing and jobs because of the associated benefits of reduced driving and congestion, fewer greenhouse gas emissions and pollution, and lower costs to commuters and businesses, among other things. The jobs-housing ratio compares the number of employed residents to the number of jobs in the City.

As shown in Table 2.7, Mountain View's job growth has outpaced the City's growth in employed residents. While the number of jobs grew by 19 percent, Mountain View's population of employed residents grew from 38,000 to 39,900, or by five percent, between 2003 and 2008. Santa Clara County's growth in employed residents also grew by five percent, but the County's job growth was more modest at six percent between 2003 and 2008.

Given these trends, Mountain View can be characterized as an increasingly "jobs rich" community, where the number of jobs exceeds the number of employed residents. Employers in Mountain View provide jobs for residents of neighboring communities such as Cupertino and Los Gatos and other parts of Santa Clara and San Mateo Counties. In 2003, the ratio of jobs to employed residents in Mountain View stood at 1.2. Over the next five years, the ratio grew to 1.4. Mountain View added four times as many jobs as employed residents between 2003 and 2008. The jobs-housing imbalance is less pronounced in Santa Clara County as a whole. The County's ratio of total jobs to employed residents was 1.1, while the Bay Area's ratio was about 1.0 in 2008.

It should be noted that it often makes sense to look at jobs-housing balance across a larger geographic area rather than strictly based on jurisdictional boundaries. For instance, the City of Los Altos, which lies to the south of Mountain View, is a largely residential community. Mountain View effectively serves as Los Altos' commercial area, providing retail, service, and employment-

generating space for Los Altos residents. When Mountain View and Los Altos are considered together, the jobs-housing ratio is less unbalanced. Taking into account employed residents and jobs in Los Altos, the two cities combined have a ratio of approximately 1.3 jobs per employed resident.

**Table 2.7: Employment Trends, 2003 - 2008**

	Mountain View			Santa Clara County			Bay Area		
	2003	2008 (a)	Percent Change 2003-2008	2003	2008 (a)	Percent Change 2003-2008	2003	2008 (a)	Percent Change 2003-2008
Total Jobs (b)	47,185	56,228	19.2%	857,878	905,648	5.6%	3,214,280	3,331,745	3.7%
Employed Residents	38,000	39,900	5.0%	779,200	818,800	5.1%	3,346,800	3,465,800	3.6%
Total Jobs/Employed Residents	1.2	1.4		1.1	1.1		1.0	1.0	
Unemployment rate	6.1%	5.6%		8.3%	7.7%		7.3%	6.7%	

**Notes:**

(a) 2008 employed residents and unemployment rate reported for December 2008.

(b) Total jobs reported for 1st Quarter 2003 and 2008.

Sources: California Employment Development Department, 2008; BAE 2009

A jobs-housing imbalance results in longer commutes and increases traffic congestion and transportation-related environmental impacts. As Table 2.8 illustrates, 85 percent of Mountain View-based employees commuted into the City for work in 2000.<sup>4</sup> Conversely, only 15 percent of local workers lived in the City. Over 23 percent of Mountain View workers lived in San Jose and 10 percent lived in Sunnyvale. Additional residential development would help address local workforce housing needs, limit the proportion of in-commuters into Mountain View, and increase the opportunities for local employees to reside in the City.

The level of in-commuting in Mountain View is comparable to other jobs-rich cities in Silicon Valley. For example, 83 percent of Sunnyvale employees and 87 percent of Cupertino employees commute in for work. However, in other suburban Bay Area cities, the level of in-commuting is lower. For example, approximately 68 percent of Walnut Creek employees and 56 percent of Tracy employees live outside of the cities where they worked.

<sup>4</sup> More recent data on commute patterns is unavailable.

**Table 2.8: Mountain View Commute Patterns, 2000**

<b>Mountain View Residents to</b>			<b>Mountain View Workers from</b>		
<b>Place of Work</b>	<b>Number</b>	<b>Percent</b>	<b>Place of Residence</b>	<b>Number</b>	<b>Percent</b>
<i>Mountain View</i>	9,035	22.4%	San Jose	13,880	23.4%
San Jose	5,765	14.3%	<i>Mountain View</i>	9,035	15.2%
Palo Alto	5,555	13.8%	Sunnyvale	6,185	10.4%
Sunnyvale	3,625	9.0%	Santa Clara	2,865	4.8%
Santa Clara	2,955	7.3%	Fremont	2,235	3.8%
Stanford	1,485	3.7%	Palo Alto	2,140	3.6%
Redwood City	1,360	3.4%	San Francisco	1,895	3.2%
Other Bay Area (a)	9,087	22.6%	Other Bay Area (a)	17,303	29.2%
Other Places in CA (b)	1,328	3.3%	Other Places in CA (b)	3,314	5.6%
Out of State (c)	81	0.2%	Out of State (c)	426	0.7%
<b>Total</b>	<b>40,276</b>	<b>100.0%</b>	<b>Total</b>	<b>59,278</b>	<b>100.0%</b>
<b>Mountain View Residents Out-Commuting</b>	<b>31,241</b>	<b>77.6%</b>	<b>Mountain View Workers In-Commuting</b>	<b>50,243</b>	<b>84.8%</b>

**Notes:**

(a) Other Bay Area includes other areas in Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties that are not specifically listed.

(b) "Other Places in CA" includes unincorporated areas within California.

(c) "Out of State" includes Census Designated Places (CDP's) which cannot be broken down into localities.

Source: US Census, 2000, Census Transportation Planning Package (CTPP); BAE, 2009.

**Key Draft Employment Findings**

- **Mountain View has experienced strong employment growth in recent years.** The number of jobs in Mountain View grew by 19 percent between 2003 and 2008, more than three times the growth in Santa Clara County as a whole. As of 2008, Mountain View had a total of 56,228 jobs.
- **Employment in Mountain View is concentrated in the information sector and the professional, scientific, and technical services sector.** These industries each represent 20 percent of the City's jobs. The information sector has grown substantially since 2003, with a 294 percent increase in jobs, and includes information services such as internet publishing and web search portals. The manufacturing industry and the health care and social assistance industry also have a large presence in Mountain View, each representing 10 percent of the City's job base. Other industries, which may be associated with somewhat lower-paying jobs, have also seen increases in the number of employees. Employment in the wholesale trades increased by 26 percent while accommodation and food services employment grew by 19 percent. Employment in the health and social assistance industry increased by 39 percent between 2003 and 2008.

- **Employment in Mountain View is projected to increase by 38 percent between 2005 and 2030.** Employment in the “Other” jobs sector, which includes the information, construction, and public administration industries, is expected to experience the largest growth, with a projected increase of 61 percent between 2005 and 2030.<sup>5</sup>
- **Mountain View is becoming an increasingly “jobs rich” community, where the number of jobs exceeds the number of employed residents.** In 2003, the ratio of jobs to employed residents in Mountain View stood at 1.2. Over the next five years, the ratio rose to 1.4.
- **A jobs-housing imbalance results in longer commutes and increases traffic congestion and transportation-related environmental impacts.** Only 15 percent of local workers lived in the City in 2000, while the remaining 85 percent Mountain View employees commuted in from other areas. Over 23 percent of Mountain View workers lived in San Jose and 10 percent lived in Sunnyvale.

## 2.3. Population and Employment Projections

Table 2.9 presents population, household, and job growth projections for Mountain View, Santa Clara County, and the nine county Bay Area between 2005 and 2035. These figures represent the Association of Bay Area Governments (ABAG) estimates benchmarked against the 2000 Census and a variety of local sources.

The City of Mountain View’s population is expected to grow by 15,200 residents, or 21 percent, between 2005 and 2030. ABAG projects Santa Clara County and the Bay Area as a whole will experience larger population increases of 29 percent and 23 percent, respectively.

Job growth is expected to continue to outpace population and household growth in Mountain View, compounding the “jobs rich” nature of the City. ABAG expects the City to experience a 38 percent increase in jobs between 2005 and 2030.

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<sup>5</sup> Growth in “Other” sector includes Mountain View sphere of influence.

**Table 2.9: Population, Household, and Employment Projections, 2005-2030**

							Total Change	% Change
Mountain View (a)	2005	2010	2015	2020	2025	2030	2005 - 2030	2005 - 2030
Population	71,800	73,900	77,000	81,000	84,400	87,000	15,200	21.2%
Households	31,860	32,910	34,340	35,990	37,530	39,010	7,150	22.4%
Jobs	51,130	52,610	56,520	60,690	65,160	70,500	19,370	37.9%
<b>Santa Clara County</b>								
Population	1,763,000	1,867,500	1,971,100	2,085,300	2,177,800	2,279,100	516,100	29.3%
Households	595,700	628,870	665,000	701,470	732,830	769,750	174,050	29.2%
Jobs	872,860	938,330	1,017,060	1,098,290	1,183,840	1,272,950	400,090	45.8%
<b>Bay Area (b)</b>								
Population	7,096,100	7,412,500	7,730,000	8,069,700	8,389,600	8,712,800	1,616,700	22.8%
Households	2,583,080	2,696,580	2,819,030	2,941,760	3,059,130	3,177,440	594,360	23.0%
Jobs	3,449,640	3,693,920	3,979,200	4,280,700	4,595,170	4,921,680	1,472,040	42.7%

Note:

(a) Data reported for Mountain View jurisdictional boundary.

(b) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

Sources: ABAG Projections, 2007; BAE, 2009.

Appendix C provides a comparison of ABAG's population, household, and employment projections for Mountain View with growth projections for neighboring cities. Mountain View's population growth (21 percent) between 2005 and 2030 is projected to outpace growth in Cupertino and Sunnyvale, where the number of residents is anticipated to increase by 11 percent and 16 percent, respectively. Cupertino and Sunnyvale, similar to Mountain View, are expecting job growth to outpace population and household growth, increasing the jobs-rich nature of both cities. ABAG projects that the City of Palo Alto will experience more rapid population growth than the neighboring jurisdictions, with the number of residents increasing by 24 percent between 2005 and 2030.

### **Key Draft Population and Employment Growth Findings**

- **Mountain View's population is expected to grow at a slower rate than Santa Clara County and the rest of the Bay Area between 2005 and 2030.** ABAG projects the City's population will increase by 15,200 residents, or 21 percent, between 2005 and 2030. By comparison, Santa Clara County and the Bay Area as a whole are expected to experience larger population increases of 29 percent and 23 percent, respectively.
- **Job growth is expected to continue to outpace population and household growth in**

**Mountain View, compounding the “jobs rich” nature of the City.** ABAG expects the City to experience a 38 percent increase in jobs between 2005 and 2030.

## 2.4. Housing Stock Characteristics

### *Housing Stock Conditions*

As shown in Table 2.10, the largest proportion of Mountain View homes (26 percent) were built between 1970 and 1979. Another 25 percent of homes were constructed between 1960 and 1969. Overall, 79 percent of the City’s housing stock was built before 1980.<sup>6</sup>

Unless carefully maintained, older housing stock can create health, safety, and problems for occupants. Generally, housing policy analysts believe that even with normal maintenance, dwellings over 40 years of age can deteriorate, requiring significant rehabilitation. Approximately 53 percent of homes in Mountain View are 40 years old or older and may require additional maintenance and repair.

**Table 2.10: Housing Units by Year Built, Mountain View, 2000**

<b>Year Built</b>	<b>Number</b>	<b>Percentage</b>
1999 to March 2000	783	2.4%
1995 to 1998	1,012	3.1%
1990 to 1994	1,057	3.3%
1980 to 1989	3,981	12.3%
1970 to 1979	8,461	26.1%
1960 to 1969	8,249	25.4%
1950 to 1959	5,968	18.4%
1940 to 1949	1,712	5.3%
1939 or earlier	1,214	3.7%
<b>Total</b>	<b>32,437</b>	<b>100.0%</b>

Sources: US Census, 2000; BAE, 2009.

Notwithstanding this finding, the City’s housing stock remains in relatively good condition. Data on the number of units which lack complete plumbing and kitchen facilities are often used to assess the condition of a jurisdiction’s housing stock. As Table 2.11 illustrates, virtually all of Mountain View’s housing units contain complete plumbing and kitchen facilities. The 2000 Census indicates

<sup>6</sup> More recent data regarding housing stock age is unavailable.

that less than one percent of the City's units lack these facilities.<sup>7</sup>

**Table 2.11: Housing Conditions, Mountain View, 2000**

<b>Plumbing Facilities</b>	<b>Mountain View</b>		<b>Santa Clara County</b>	
	<b>Number</b>	<b>Percentage</b>	<b>Number</b>	<b>Percentage</b>
<b>Owners</b>				
Complete plumbing facilities	12,896	41.4%	337,519	59.6%
Lacking complete plumbing facilities	13	0.04%	1,117	0.2%
<b>Renters</b>				
Complete plumbing facilities	18,164	58.3%	225,477	39.8%
Lacking complete plumbing facilities	86	0.3%	1,750	0.3%
<b>Total</b>	<b>31,159</b>	<b>100.0%</b>	<b>565,863</b>	<b>100.0%</b>
<b>Kitchen Facilities</b>				
<b>Owners</b>				
Complete kitchen facilities	12,887	41.4%	337,960	59.7%
Lacking complete kitchen facilities	22	0.1%	676	0.1%
<b>Renters</b>				
Complete kitchen facilities	18,178	58.3%	224,614	39.7%
Lacking complete kitchen facilities	72	0.2%	2,613	0.5%
<b>Total</b>	<b>31,159</b>	<b>100.0%</b>	<b>565,863</b>	<b>100.0%</b>

Sources: U.S. Census, SF3, H48 and H51, 2000; BAE, 2009.

According to the *City of Mountain View 2005-2010 Consolidated Plan*, a tight housing market in the City resulted in a sharp increase in housing demand that prompted owners to invest in properties needing rehabilitation. For example, there was an upgrade to units along California Avenue. As a result, housing units in the City are generally in good condition.

Nonetheless, there are a moderate number of soft-story buildings in the City, which can be extremely vulnerable to collapse and failure during earthquakes. Soft-story buildings are low-rise, multi-story (two to three stories), wood frame structures, typically with an open wall condition on the first floor, leading to seismic weakness. According to a survey completed by San Jose State University Collaborative for Disaster Mitigation, of the 584 multifamily buildings in Mountain View, 111 are soft-story buildings. This represents 19 percent of the multifamily buildings in the City. By comparison, 36 percent of multifamily buildings in Santa Clara County were identified as soft-story in the survey. The 111 soft-story buildings in Mountain View contained 1,129 units,

<sup>7</sup> More recent data on the number of housing units without complete kitchen facilities or plumbing is not available.

representing seven percent of all units in multifamily buildings in the City.<sup>8</sup>

City Code Enforcement staff indicated that a majority of dilapidated housing units in Mountain View are found in older, multifamily structures. In particular, there are several multifamily structures in R-1 zoning districts that have fallen into disrepair. These multifamily structures, which are not permitted in the R-1 district, have a nonconforming status that allows them to continue their existing use.

In addition to dilapidated multifamily housing, Code Enforcement staff reported that several neighborhoods have scattered cases of housing units and complexes in disrepair. Neighborhood residents reported similar concerns at the community workshops organized for this Housing Element update. These homes are typically found in neighborhoods undergoing a transition to newer housing stock. As this transition occurs and new owners purchase the properties, the older units are often demolished and replaced.

In order to ensure proper maintenance of its multifamily housing stock, the City periodically inspects each multifamily structure under the Hotel, Motel, and Multiple-Family Housing Inspection Program. Individual units are inspected for building, housing, and fire code violations. If units are found to be in violation of City Code, owners are notified and have 30 days to make repairs to the units. According to the City's Code Enforcement staff, the Housing Inspection Program will be updated following an 18 month assessment period.

#### ***Distribution of Units by Structure Type***

The number of housing units in Mountain View rose from 32,432 to 33,475 between 2000 and 2008, a three percent gain. Because the City has few vacant parcels, Mountain View's housing stock expanded at a slower pace than the County and region. The number of residential units in Santa Clara County grew by eight percent while the Bay Area housing stock increased by seven percent between 2000 and 2008.

As shown in Table 2.12, the largest proportion of housing units in the City is in large multifamily buildings (defined as structures with five or more units); 49 percent of units fall within this category. By comparison, only 26 percent of units in the County and the region are in large multifamily structures. An additional eight percent of Mountain View units are in small multifamily buildings (containing two to four units).

While a majority of housing units in Santa Clara County and in the Bay Area are single-family detached units, only 28 percent of Mountain View units fall within this category. Another 12

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<sup>8</sup> San Jose State University Collaborative for Disaster Mitigation. *Inventory of Soft-First Story Multi-Family Dwellings in Santa Clara County*. June 20, 2003.

percent of Mountain View housing units are single-family attached units (i.e., townhouses or duplexes). Mobile homes represent the smallest share of the City's housing stock at just four percent of all units.

Single-family attached units in Mountain View experienced the greatest growth between 2000 and 2008, increasing by nine percent. Units in large multifamily buildings experienced the second largest increase during this period at four percent. Mountain View's stock of units in small multifamily buildings actually decreased slightly between 2000 and 2008. This finding is consistent with reports from the City that smaller multifamily buildings have been redeveloped with a variety of housing types such as condominiums, townhomes, rowhomes, and small-lot single-family development

**Table 2.12: Housing Units by Type, 2000-2008**

	2000		2008		% Change 2000-2008
	Number of Units	% Total	Number of Units	% Total	
<b>Mountain View</b>					
Single Family Detached	9,145	28.2%	9,318	27.8%	1.9%
Single Family Attached	3,700	11.4%	4,038	12.1%	9.1%
Multifamily 2 to 4 Units	2,670	8.2%	2,650	7.9%	-0.7%
Multifamily 5+Units	15,686	48.4%	16,238	48.5%	3.5%
Mobile Home	1,231	3.8%	1,231	3.7%	0.0%
<b>Total</b>	<b>32,432</b>	<b>100.0%</b>	<b>33,475</b>	<b>100.0%</b>	<b>3.2%</b>
	2000		2008		% Change 2000-2008
	Number of Units	% Total	Number of Units	% Total	
<b>Santa Clara County</b>					
Single Family Detached	323,913	55.9%	336,196	54.0%	3.8%
Single Family Attached	52,739	9.1%	55,834	9.0%	5.9%
Multifamily 2 to 4 Units	46,371	8.0%	46,932	7.5%	1.2%
Multifamily 5+Units	136,628	23.6%	164,151	26.4%	20.1%
Mobile Home	19,678	3.4%	19,666	3.2%	-0.1%
<b>Total</b>	<b>579,329</b>	<b>100.0%</b>	<b>622,779</b>	<b>100.0%</b>	<b>7.5%</b>
	2000		2008		% Change 2000-2008
	Number of Units	% Total	Number of Units	% Total	
<b>Bay Area (a)</b>					
Single Family Detached	1,376,861	53.9%	1,466,501	53.7%	6.5%
Single Family Attached	224,824	8.8%	233,612	8.5%	3.9%
Multifamily 2 to 4 Units	266,320	10.4%	272,843	10.0%	2.4%
Multifamily 5+Units	623,388	24.4%	699,127	25.6%	12.1%
Mobile Home	61,011	2.4%	61,328	2.2%	0.5%
<b>Total</b>	<b>2,552,404</b>	<b>100.0%</b>	<b>2,733,411</b>	<b>100.0%</b>	<b>7.1%</b>

**Note:**

(a) Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

Sources: CA Department of Finance, Table E-5, 2008; BAE, 2009.

**Building Permit Trends**

Building permit trends demonstrate that while Mountain View experienced growth in multifamily units between 2000 and 2008, new residential development has largely focused on single-family homes (detached and attached). Since 2000, 54 percent or 753 units constructed in the City of Mountain View were for single-family units (see Table 2.13). Another 637 units were completed in multifamily buildings with five or more units in the City between 2000 and 2008.

**Table 2.13: Building Permits by Building Type in Mountain View, 2000-2008 (a)**

<b>Building Type</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>	<b>% of Total</b>
Single Family Detached	16	30	27	14	28	20	74	43	72	<b>324</b>	<b>23.3%</b>
Single Family Attached	61	52	75	1	6	18	21	110	85	<b>429</b>	<b>30.8%</b>
Mobile Homes	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0.0%</b>
2-4 Units	0	0	0	0	0	0	2	0	0	<b>2</b>	<b>0.1%</b>
5+ Units	160	44	211	41	7	0	120	0	54	<b>637</b>	<b>45.8%</b>
<b>Total</b>	<b>237</b>	<b>126</b>	<b>313</b>	<b>56</b>	<b>41</b>	<b>38</b>	<b>217</b>	<b>153</b>	<b>211</b>	<b>1,392</b>	<b>100.0%</b>

Notes:

(a) Reports "finaled" building permits (i.e. completed units).

Sources: CA Dept. of Finance, 2009; City of Mountain View, 2009; BAE, 2009.

**Key Draft Housing Stock Findings**

- **Although Mountain View has an older housing stock, the City's homes generally remain in good condition.** Approximately 53 percent of homes in the City are 40 years old or older. However, according to the 2000 Census, less than one percent of housing units lack complete plumbing or kitchen facilities. Although there are scattered examples of units that have fallen into disrepair, overall the housing stock in Mountain View is in good condition. Due in part to a strong housing market and increased demand for housing, owners have been compelled to invest in and maintain their properties over time.
- **There are a moderate number of soft-story buildings in the City, which can be particularly vulnerable to collapse and failure during earthquakes.** These are low-rise, multi-story, wood frame structures, with an open wall condition on the first floor, leading to seismic weakness. Approximately 19 percent of multifamily buildings in Mountain View are soft-story buildings.
- **Compared to Santa Clara County and the Bay Area, Mountain View has a higher proportion of units in large multifamily buildings and a smaller percentage of detached single-family homes.** Approximately 49 percent of the City's housing units are in large multifamily and 28 percent are single-family detached units. Overall, there were 33,475 housing units in Mountain View in 2008, an increase of three percent since 2000.
- **Building permit data indicates that new residential development in Mountain View has largely focused on detached and attached single-family homes.** Between 2000 and 2008, 54 percent or 753 of the residential building permits issued by the City were for

single-family units. Another 637 permits were issued for units in large multifamily buildings with five or more units during this time period.

## **2.5. Market Conditions and Housing Affordability**

This section of the Needs Assessment discusses housing market conditions in Mountain View. This information evaluates how the private housing market provides for the needs of various economic segments of the local population.

### ***Rental Market Characteristics and Trends***

A review of rental market conditions in Mountain View was conducted using data from RealFacts, a private vendor that collects quarterly rental data from apartment complexes with 50 or more units. This database includes over 7,700 units in the City, representing approximately 40 percent of Mountain View's renter-occupied housing units.

As shown in Table 2.14, Mountain View had an average rent of \$1,730 for the fourth quarter of 2008. RealFacts reports rents for studios averaging \$1,240 a month, a \$1,594 average monthly rent for one-bedroom units, and a monthly rent of \$2,127 and \$2,388 for two- and three-bedroom units, respectively. On average, rents have increased by 15 percent between 2006 and 2008, an indicator of a strong rental market. This trend parallels regional strength in the residential rental market, as potential homebuyers have continued to rent until the for-sale housing market recovers, the larger economy rebounds, and/or credit markets loosen.

**Table 2.14: Overview of Rental Market, Mountain View, Q4 2008**

<b>CURRENT MARKET DATA - Q4 2008</b>					
<b>Unit Type</b>	<b>Number</b>	<b>Percent of Mix</b>	<b>Avg. Sq. Ft.</b>	<b>Avg. Rent</b>	<b>Avg. Rent/Sq. Ft.</b>
Studio	709	9%	480	\$1,240	\$2.58
Jr 1BR/1 BA	430	6%	571	\$1,331	\$2.33
1 BR/1 BA	3,227	42%	695	\$1,594	\$2.29
2 BR/1 BA	1,168	15%	901	\$1,698	\$1.88
2BR/1.5 BA	24	0%	980	\$1,770	\$1.81
2 BR/2 BA	1,504	20%	1,015	\$2,127	\$2.10
2 BR TH	247	3%	1,068	\$2,209	\$2.07
3 BR/1 BA	5	0%	1,000	\$2,035	\$2.04
3 BR/2 BA	359	5%	1,204	\$2,388	\$1.98
3 BR/3 BA	6	0%	1,491	\$4,060	\$2.72
3 BR TH	26	0%	1,300	\$2,753	\$2.12
4 BR	5	0%	1,240	\$1,790	\$1.44
<b>Totals</b>	<b>7,710</b>	<b>100%</b>	<b>802</b>	<b>\$1,730</b>	<b>\$2.16</b>

<b>AVERAGE RENT HISTORY - ANNUAL</b>					
<b>Unit Type</b>	<b>2006</b>	<b>2007</b>	<b>2006-2007 % Change</b>	<b>2008 (b)</b>	<b>2006-2008 % Change</b>
Studio	\$1,143	\$1,373	20.1%	\$1,229	7.5%
Jr 1BR	\$1,079	\$1,242	15.1%	\$1,316	22.0%
1BR/1 BA	\$1,419	\$1,625	14.5%	\$1,615	13.8%
2 BR/1 BA	\$1,417	\$1,615	14.0%	\$1,713	20.9%
2 BR/2 BA	\$1,872	\$2,119	13.2%	\$2,122	13.4%
2 BR TH	\$1,847	\$2,096	13.5%	\$2,206	19.4%
3 BR/2 BA	\$1,971	\$2,210	12.1%	\$2,361	19.8%
3 BR TH	\$2,450	\$2,762	12.7%	\$2,891	18.0%
<b>All Units</b>	<b>\$1,509</b>	<b>\$1,725</b>	<b>14.3%</b>	<b>\$1,737</b>	<b>15.1%</b>

<b>OCCUPANCY RATE</b>	
<b>Year</b>	<b>Average Occupancy</b>
2004	94.4%
2005	95.1%
2006	96.9%
2007	96.9%
2008	96.0%

<b>AGE OF HOUSING INVENTORY (by Project)</b>	
<b>Year</b>	<b>Percent of Projects</b>
Pre 1960's	3.4%
1960's	67.8%
1970's	22.0%
1980's	3.4%
1990's	1.7%
2000's	1.7%

**Notes:**

(a) Represents only housing complexes with 50 units or more.

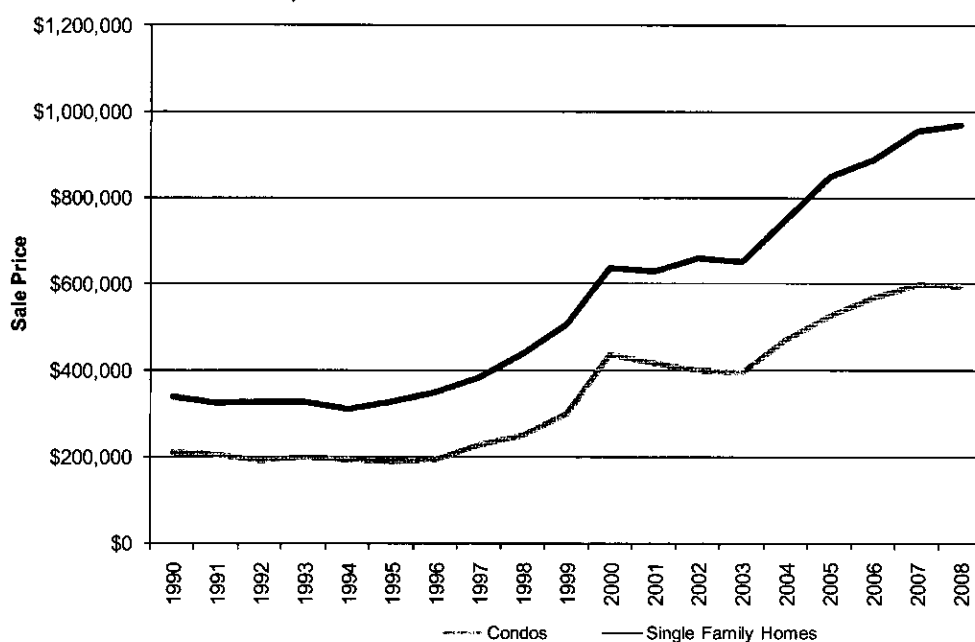
(b) Represents 12-month average for 2008. Differs from Current Market Data average rent, which is reported for 4th Quarter 2008 only.

Sources: RealFacts, Inc., 2009; BAE, 2009.

### Home Sale Trends

As shown in Figure 2.1, home values in Mountain View have increased significantly since 2000. According to DataQuick Information Systems, the median sales price for a single-family home increased by 52 percent from \$637,000 in 2000 to \$969,500 in 2008. During the same period, condominium median sales prices grew by 37 percent from \$434,500 to \$596,000.

**Figure 2.1: Annual Median Home Price, Mountain View, 1990-2008**



Sources: Dataquick Information Systems, 2009; BAE, 2009.

While many other markets in California and across the country have seen home values fall during the current economic downturn, sales prices in Mountain View remained relatively strong through the first quarter of 2009. Table 2.15 provides home sale activity for March 2008 and 2009 for Mountain View and neighboring cities. As shown, the median sales price for new and resale single-family homes and condominiums in Mountain View in March 2009 had declined by nine percent on a year-over-year basis. By comparison, the cities of Cupertino, Palo Alto, and Sunnyvale saw larger declines during the same time period. The median sales price in Cupertino fell by 14 percent while Palo Alto and Sunnyvale saw a 21 percent and 34 percent decline, respectively. Overall, the median sales price in Santa Clara County declined by 40 percent.

**Table 2.15: Home Sales Activity, March 2009 (a)**

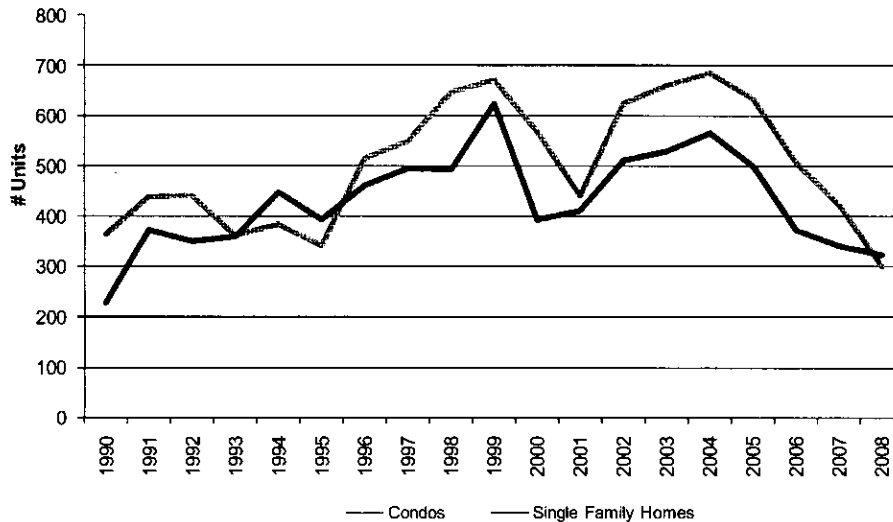
Area	#Sold	Median Sales Price		% Change
		March 2009	March 2008	Yr-to-Yr
Mountain View	33	\$700,000	\$772,000	-9.3%
Cupertino	16	\$945,000	\$1,095,750	-13.8%
Palo Alto	21	\$1,195,000	\$1,517,500	-21.3%
Sunnyvale	64	\$498,000	\$750,000	-33.6%
Santa Clara County	1,218	\$405,000	\$680,000	-40.4%

**Notes:**

(a) Reporting new and resale single-family homes and condominiums.

Sources: DQ News, 2009; BAE, 2009

Although sales prices have remained relatively robust in Mountain View, sales volume has reached its lowest point since 1990. In 2008, 322 single-family homes and 301 condominiums were sold in Mountain View. As Figure 2.2 illustrates, sales volume for single-family homes peaked with 624 sales in 1999, the height of the “dot-com” boom, while condominium sales reached their highest point in 2004, with 685 units. For most of the eighteen year sample period, the number of condominium sales has exceeded the number of single-family home sales, a function of the City’s concentration of multifamily homes.

**Figure 2.2: Annual Home Sales Volume, Mountain View, 1990-2008**

Sources: Dataquick Information Systems, 2009; BAE, 2009.

**Housing Occupancy and Vacancy Status**

Table 2.16 presents housing vacancy conditions in Mountain View in 2000. A low vacancy rate indicates that the demand for housing exceeds the available supply, typically resulting in higher housing prices. In 2000, Mountain View's vacancy rate of 3.7 percent was higher than the Santa Clara County and Bay Area rates, but lower than the statewide vacancy rate of 5.8 percent.

**Table 2.16: Occupancy and Vacancy Status, Rental and Ownership Units, 2000**

<b>Occupancy Status</b>	<b>Mountain View</b>		<b>Santa Clara County</b>		<b>California</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Occupied Housing Units	31,242	96.3%	565,863	97.7%	11,502,870	94.2%
Vacant Housing Units (a)	1,190	3.7%	13,466	2.3%	711,679	5.8%
Homeowner Vacancy Rate		0.6%		0.5%		1.4%
Rental Vacancy Rate		1.6%		1.8%		3.7%

**Notes:**

(a) Total vacancy rate includes vacant units for rent, for sale, rented or sold but not occupied, for seasonal, recreational or occasional use, for migrant workers, and for other reasons.

Sources: U.S. Census, SF1-H3 and DP-1, 2000; BAE, 2009

**Ownership Housing.** Housing economists generally consider a two percent vacancy rate for homeownership units as sufficient to provide adequate choice and mobility for residents.

According to the 2000 Census, Mountain View's vacancy rate for homeownership units in 2000 was 0.6 percent. Vacancy in 2000, the peak of the "dot-com" boom, was also low in Santa Clara County at 0.5 percent. The statewide homeownership vacancy rate at the same time was higher at 1.4 percent. The low homeownership vacancy rate in Mountain View in 2000 was indicative of the tight housing market at the time. More recent data on the vacancy rate among owner-occupied units in Mountain View is not available.

**Rental Housing.** A rental vacancy rate of five percent is considered sufficient to provide adequate choice and mobility for residents. In 2000, Mountain View's rental vacancy rate stood at 1.6 percent, compared to 1.8 percent for the County and 3.7 percent for the state overall. More recent data from RealFacts suggests that rental vacancy rates have increased since 2000. The vacancy rate for rental units in buildings with 50 or more units was 4.0 percent in 2008 (see Table 2.14 above). Nevertheless, the current rental vacancy rate still falls below the five percent benchmark for a "healthy" rental market. Again, Mountain View's current rental vacancy rate is generally consistent with rental markets throughout the region. Despite the City's relatively strong ownership market, the regional trends, including uncertainty in the labor market, continue to compel many households to continue to rent.

#### ***Housing Affordability for Various Income Groups***

Affordability is generally discussed in the context of households with different income levels. Households are categorized as extremely low-income, very low-income, low-income, moderate-income, or above moderate-income, based on household size and percentages of the Area Median Income (AMI). These income limits are established annually by the California Department of Housing and Community Development (HCD). Federal, state, and local affordable housing programs generally target households up to 120 percent of AMI, with a particular focus on households up to 80 percent of AMI.

Table 2.17 provides the maximum income limits for a four-person household in Santa Clara County in 2008.

**Table 2.17: Household Income Limits, Santa Clara County, 2008**

<b>Income Category</b>	<b>Definition as % of AMI</b>	<b>Top of Income Range (a)</b>
Extremely Low	0% to 30%	\$31,850
Very Low	31% to 50%	\$53,050
Low	51% to 80%	\$84,900
Moderate	81% to 120%	\$126,600
<i>Median</i>	<i>100%</i>	<i>\$105,500</i>

**Notes:**

(a) Based on HCD 2008 Household Income Limits for a four-person household in Santa Clara County.

Sources: California Department of Housing and Community Development, 2008; BAE, 2009.

These income groups can also be viewed as households with various occupational mixes. Figure 2.3 provides representative households for Santa Clara County, with hypothetical jobs and family compositions, as examples of the various household types in various income categories.

**Figure 2.3: Representative Households for Santa Clara County, 2008****Moderate Income Household (80% - 120% AMI)**

Estimated Annual Income: \$84,900 - \$117,400  
Dad works as an elementary school teacher, mom works as a secretary; they have two children.

**Low Income Household (50% - 80% AMI)**

Estimated Annual Income: \$53,050 - \$84,900  
Dad works as an office building janitor, mom works as a childcare provider; they have two children.

**Very Low Income Household (Up to 50% AMI)**

Estimated Annual Income: Up to \$42,450  
Mom works as a retail clerk and is the only source of financial support in her family; she has one child.

Sources: California Department of Housing and Community Development, 2008; Nonprofit Housing Association of Northern California, 2008; BAE, 2008

**Ability to Purchase/Rent Homes**

Table 2.18 shows affordability scenarios for four-person households with very low-, low-, and moderate-incomes. The analysis compares the maximum affordable sales price for each of these households to the market rate prices in Mountain View between July 1, 2008 and January 20, 2009.

The maximum affordable sales price was calculated using household income limits published by HCD, conventional financing terms, and assuming that households spend 30 percent of gross income on mortgage payments, taxes, and insurance. Appendix D shows the detailed calculations used to derive the maximum affordable sales price. Home sale data for Mountain View between July 1, 2008 and January 20, 2009 was obtained from DataQuick Information Systems.

As shown in Table 2.18, the median sales price for single-family homes in Mountain View was \$980,000 during the sample period. By comparison, the highest cost residence that a moderate-income family could afford is \$524,400. Only six percent of single-family homes sold between July 1, 2008 and January 20, 2009 up to this price point. This analysis indicates that for all but above moderate-income households, current market prices present a serious obstacle to single-family homeownership.

Condominiums are more affordable for moderate-income households in Mountain View, but remain out of reach for very low- and low-income households. Mountain View condominiums sold for a median price of \$590,000 between July 1, 2008 and January 20, 2009. As discussed previously, a four-person, moderate-income household could qualify to purchase a residence costing up to \$524,400. Thirty-six percent of condominiums sold fell within this price range. However, only nine percent of condominiums were sold at prices affordable to four-person, low-income households.

Table 2.18 also compares the maximum affordable monthly rent for a four-person household with the market rate rent for three-bedroom, two-bath apartments. Maximum affordable monthly rents assumed that households pay 30 percent of their gross income on rent and utilities. According to RealFacts, the average monthly rent for a three-bedroom, two-bath unit in Mountain View in the fourth quarter of 2008 was \$2,388. This analysis suggests that very low- and low-income renters must pay in excess of 30 percent of their incomes to compete in the current market without some form of rental subsidy. The gap is especially large for very low-income households who have to pay over 50 percent of their income to afford the average market rent, which was \$2,388 for a three-bedroom, two-bathroom unit in the fourth quarter of 2008. This analysis suggests that only moderate-income households can afford the average monthly rent in Mountain View.

**Table 2.18: Affordability of Market Rate Housing in Mountain View (a)**

<b>FOR-SALE</b>			
<b>Income Level</b>	<b>Max. Affordable Sale Price (b)</b>	<b>Percent of SFRs on Market within Price Range (c)</b>	<b>Percent of Condos on Market within Price Range (c)</b>
Very Low-Income (Up to 50% AMI)	\$219,700	4%	1%
Low-Income (Up to 80% AMI)	\$351,700	5%	13%
Moderate-Income (Up to 120% AMI)	\$524,400	6%	36%
		<b>Single-Family Residence (c)</b>	<b>Condominiums (c)</b>
Median Sale Price		\$981,000	\$595,000
<b>RENTAL</b>			
<b>Income Level</b>	<b>Max. Affordable Monthly Rent (d)</b>	<b>Average Market Rent (e)</b>	
Very Low-Income (Up to 50% AMI)	\$1,146	\$2,388	
Low-Income (Up to 80% AMI)	\$1,943	\$2,388	
Moderate-Income (Up to 120% AMI)	\$2,985	\$2,388	

**Notes:**

(a) Affordable sale price and rent based on a four-person household income, as defined by CA HCD for Santa Clara County.

(b) Assumptions used to calculate affordable sale price.

Annual Interest Rate (Fixed) 6.6% Freddie Mac, ten-year average.

Term of mortgage (Years) 30

Percent of sale price as down payment 20%

Initial property tax (annual) 1.00%

Mortgage insurance as percent of loan amount 0.00%

Annual homeowner's insurance rate as percent of sale price 0.11% CA Dept. of Insurance website, based on average of all quotes, assuming 25-40 year-old home (per median age of HU's in Mtn. View) and Homeowner's Insurance covering 75% value of median 3 BR SFR in Mtn. View (\$963,750).

Percent of household income available for PITI 30%

PITI = Principal, Interest, Taxes, and Insurance

(c) Based on all full and verified sales of units in Mountain View between from July 1, 2008- Jan 20, 2009 in Mountain View.

(d) Assumes 30 percent of household income spent on rent and utilities, based on Santa Clara County Housing Authority utility allowance.

(e) For three-bedroom, two-bath units in Mountain View, per RealFacts. Based on rent survey from fourth quarter 2008.

Sources: DataQuick, 2009; RealFacts, 2009; Santa Clara County Housing Authority, 2008; CA HCD, 2008; BAE, 2009.

**Overpayment**

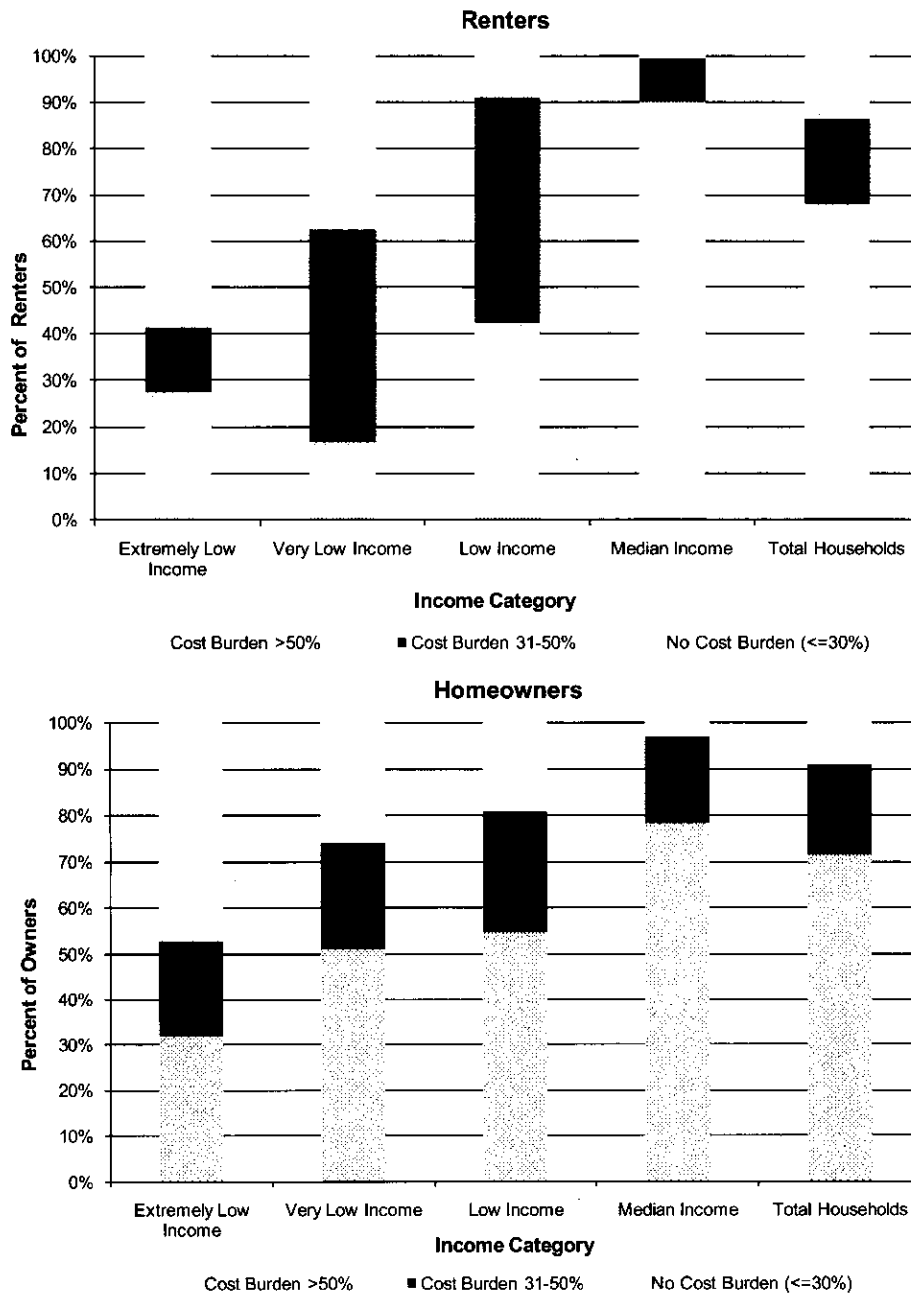
According to HUD standards, a household is considered “cost-burdened” (i.e., overpaying for housing) if it spends more than 30 percent of gross income on housing-related costs. Households are “severely cost burdened” if they pay more than 50 percent of their income on housing costs. The 2000 Census reports that 32 percent of renters and 29 percent of homeowners were overpaying for housing in Mountain View. Throughout Santa Clara County, 36 percent of renters and 28 percent of homeowners were cost-burdened in 2000.

The housing cost burden is particularly pronounced for extremely low- and very low-income households. In 2000, 59 percent of extremely low-income renters and 37 very low-income renters were severely cost burdened. This finding is consistent with the analysis of the local housing market discussed above, which revealed that market rate rents and prices generally exceed the capacity of lower-income households. Current economic conditions, particularly as they relate to job losses and unemployment, may result in an increase of overpayment in Mountain View and

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**Figure 2.4: Housing Cost Burden by Household Income Level, 2000**


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Sources: HUD, State of the Cities Data System: Comprehensive Housing Affordability Strategy (CHAS) Special Tabulations from Census 2000; BAE, 2009

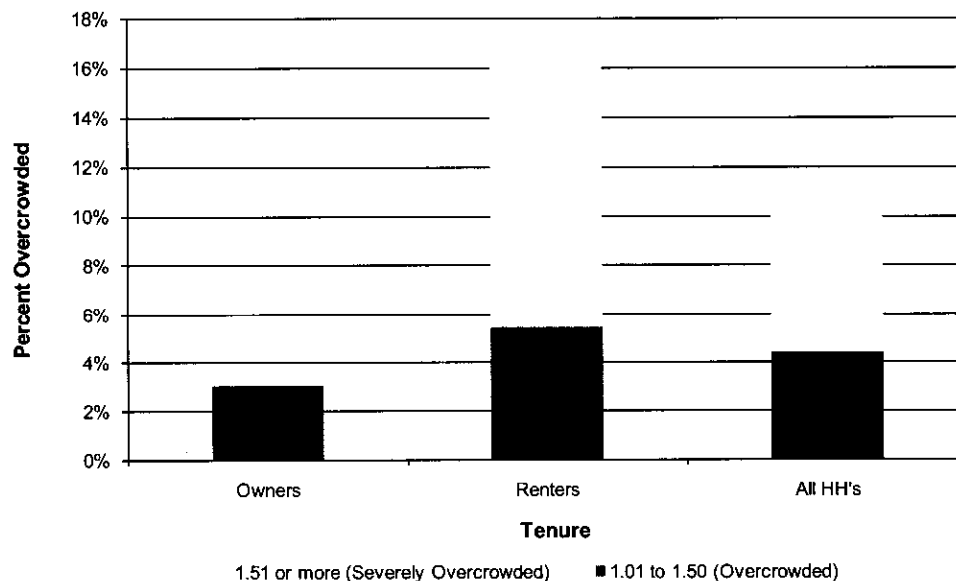
### Overcrowding

A lack of affordable housing can result in overcrowded households. The U.S. Census defines “overcrowding” as more than one person per room, excluding bathrooms and kitchens. Units with more than 1.5 persons per room are considered to be severely overcrowded. Figure 2.5 illustrates the overcrowding rate among renters and owners in Mountain View. In 2000, four percent of the City’s households were overcrowded, while seven percent of all households were severely overcrowded. During the current economic downturn, the presence of overcrowding may have increased due to rising unemployment and foreclosures. However, more recent data on overcrowding is unavailable.

Overcrowding was substantially higher among renters, with 17 percent living in crowded conditions. This includes six percent of renter households that were overcrowded and 11 percent that were severely overcrowded. By comparison, only three percent of owner households were overcrowded and less than one percent was severely overcrowded.

Overall, Santa Clara County households experienced overcrowding at a higher rate than Mountain View households. Twenty-three percent of renter households and eight percent of owner households county-wide were overcrowded in 2000.

**Figure 2.5: Overcrowded Households, Mountain View, 2000 (a)**



**Notes:**

(a) The U.S. Census defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded.

Sources: U.S. Census, SF3-H20, 2000; BAE, 2009

### **Key Draft Housing Market and Affordability Findings**

- **Home sales price and rent trends in Mountain View are indicative of the City's strong residential market.** Home values have increased significantly since 2000, with the median sales price for a single-family home increasing by 52 percent to \$969,500 in 2008. Condominium prices also grew rapidly, increasing by 37 percent to \$596,000 in 2008. While many other markets in California and across the country have seen home values fall during the current economic downturn, sales prices in Mountain View remained relatively strong through the end of 2008. As of March 2009, the median sales price had only declined by nine percent on a year-over-year basis. In comparison, Santa Clara County as a whole saw a 40 percent decline.

Market rents in Mountain View have increased by 15 percent between 2006 and 2008, an indicator of a robust rental market. Potential homebuyers have continued to rent given the ongoing uncertainty in the economy. The average monthly rent for all unit types was \$1,730 in Mountain View for the fourth quarter of 2008.<sup>9</sup>

- **Due to Mountain View's high sales prices and monthly rents, housing remains largely unaffordable for many very low-, low-, and moderate-income households.** Assuming that households spend 30 percent of gross income on mortgage payments, taxes, and insurance, the maximum affordable sales price that a moderate-income, four-person household could afford is \$524,400. Only six percent of single-family homes sold between July 1, 2008 and January 20, 2009 fell within this price range. While condominiums and average market rents are more affordable for moderate-income households, they remain out of reach for very low- and low-income households. These lower-income renters must pay in excess of 30 percent of their incomes to compete in the current market.
- **High housing costs can force households to overpay for housing or live in overcrowded situations.** In 2000, 32 percent of renters and 29 percent of homeowners were overpaying for housing in the City. The housing cost burden was particularly pronounced for extremely low- and very low-income households in Mountain View. Seventeen percent of renter households and four percent of owner households were overcrowded in the City. Overall, Santa Clara County households experienced overpayment and overcrowding at a higher rate than Mountain View households.

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<sup>9</sup> Based on quarterly survey of complexes with 50 or more units by RealFacts.

## **2.6. Assisted Housing at Risk of Conversion**

State Law requires Housing Elements to include an inventory of subsidized affordable housing developments that could be at-risk of conversion to market rates during the 10-year period that follows the adoption of the Element. Many subsidized affordable housing developments receive government funding that requires units be made affordable for a specified amount of time. At-risk developments include projects where the required affordability term is expiring in the next 10 years and could convert to market rates. For those units at-risk of conversion, the Housing Element must estimate the cost to preserve or replace the at-risk units, to identify the resources available to help in the preservation or replacement of those units, and to identify those organizations that could assist in these efforts.

### ***Inventory of Existing Affordable Units***

Table 2.19 presents an inventory of the existing affordable units in Mountain View, along with the year affordability requirements associated with different funding sources expire.

**Table 2.19: Inventory of Existing Affordable Housing Units**

Development	Total Units	Subsidized Units	Units for Seniors	Income Targeting (a)		Expiration Year (b)	Funding Source (c)
				Very Low	Low		
At-Risk Projects							
San Veron Park 870 San Veron Ave.	32	32	3	23	9	2011 2012	Section 8 HUD 236
Projects Not At-Risk							
Central Park Apts. 90 Sierra Vista Ave./1929 Hackett Ave.	149	148	148			2029 2073 2034	LIHTC HOME CDBG
New Central Park 111 Montebello Avenue	104	104	104			2063 2063	CDBG HOME LIHTC
Fairchild Apts. 159 Fairchild Drive	18	18	0	18	0		Private
The Fountains 2005 San Ramon Ave.	124	123	123	117	6	2019	LIHTC
Ginzton Terrace 375 Oaktree Drive	107	105	107	107	0	2048 2013	LIHTC CDBG
Maryce Freelen Place 2230 Latham Street	74	74	0	72	2	2025 2025 2027	CDBG HOME LIHTC
Monte Vista Terrace 1101 Grant Road	150	149	135	149	0	2060	LIHTC
San Antonio Place 210 San Antonio Circle	120	120	0	118	2	2067	LIHTC CDBG HOME Housing Set-Aside
Shorebreeze Apts. 460 N. Shoreline Blvd.	120	120	72	2	117	2027 Life of Project 2027	HOME CDBG LIHTC
Sierra Vista I 1909 Hackett Ave.	34	34	0	34	0	Annually	HUD Contract
Tyrella Gardens 449 Tyrella Ave.	56	56	8	42	14	2058 2059	CDBG LIHTC
TOTAL AFFORDABLE UNITS	1,088	1,083	700	682	150		

**Notes:**

(a) Very low-income units serve households earning up to 50 percent of AMI. Low-income units serve households earning up to 66 percent of AMI.

(b) Expiration year refers to the year at which affordability requirements associated with various funding sources end and the units could be converted to market rate.

(c) Funding source definitions:

LIHTC - Low Income Housing Tax Credits

CDBG - Community Development Block Grant

HOME - HOME Program Funding

Section 8 - Section 8 Rental Voucher

HUD 236 - HUD Section 236 Funding

Housing Set-Aside - City of Mountain View Housing Set-Aside Funds

Sources: City of Mountain View, 2009; BAE, 2009

**Units at Risk of Conversion During Next Ten Years**

Except for Fairchild Apartments, all of the developments listed in Table 2.19 are owned by non-profit organizations committed to maintaining these sites as affordable. Fairchild Apartments is privately owned and has received assistance by Housing and Urban Development (HUD) to remain affordable.

As indicated in Table 2.19 above, two of the City's affordable housing developments are at risk of converting to market rate in Mountain View during the next ten years. The affordability requirements for the San Vernon Park development, which is owned and managed by Mid-Peninsula Housing Coalition, are set to expire in 2011 and 2012. However, this project is considered to be a low-risk because its nonprofit owner is committed to maintaining the affordability of the units. Nineteen units in the project are funded by HUD Section 236, which will expire in 2012, concurrently with the development's mortgage. Twelve units are funded through Section 8, which expires in 2011. Mid-Peninsula Housing Coalition has requested a 20-year extension for the Section 8 contract for San Vernon Park and plans to pay off or refinance the remaining HUD Section 236 debt when it expires.<sup>10</sup>

The Sierra Vista Apartments, owned and managed by the nonprofit Charities Housing, has an annual HUD contract that must be renewed every year. Charities Housing has successfully renewed the HUD contract for the property for many years and is committed to continuing to renew the contract in the future. Nonetheless, because the funding for this development must be renewed annually, it may be at risk of converting to market rate.

If Mid-Peninsula Housing Coalition and Charities Housing are unsuccessful in renewing funding for San Vernon Park or Sierra Vista Apartments, there are several other options for retaining these affordable housing resources in the community. These include preserving the units as affordable or replacing them. A cost analysis of these two options follows.

The preservation versus replacement cost analysis that follows is based on the development size and mix of the San Vernon Park Project. However, this analysis is intended to provide a general assessment of the appropriate strategy based on sample cost estimates. Findings from this analysis can be applied to the Sierra Vista Apartments, particularly because both developments are similar in size. San Vernon Park includes 34 two-, three-, and four-bedroom apartments while the Sierra Vista Apartments provides 32 units with two-, three-, and four-bedrooms.

### ***Preserve Affordability***

San Vernon Park currently serves very low- and low-income households. This preservation analysis compares the maximum affordable monthly rent for very low- and low-income households with prevailing market rents in Mountain View. The difference between the market rent and the maximum affordable rent represents the monthly subsidy needed to maintain the project's affordability. As shown in Table 2.20, market rents exceed the maximum affordable rent for two-bedroom and three-bedroom units. Cumulatively, the monthly subsidy being provided to these 32

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<sup>10</sup> Mid-Peninsula Housing Coalition. Phone interview with BAE, June 16, 2009.

units is \$8,219. Annually, the amount needed to subsidize the rents on behalf of the lower-income tenants amounts to \$98,625.

**Table 2.20: Preservation Analysis**

<b>Unit Type</b>	<b># Units</b>	<b>Market Rents (a)</b>	<b>Maximum Affordable Rent (b)</b>	<b>Per Unit Gap (c)</b>	<b>Total Gap (d)</b>
2 BR	10	\$1,698	\$1,640	\$58	\$580
3 BR	15	\$2,388	\$1,879	\$509	\$7,639
4 BR	7	\$1,790	\$2,118	N/A	\$0
<b>Total</b>	<b>32</b>				<b>\$8,219</b>
<b>Yearly Cost to Preserve 32 Units</b>					<b>\$98,625</b>

**Notes:**

(a) Prevailing market rents in the City of Mountain View, as reported by RealFacts for Q4 2008.

(b) Maximum affordable rent assumes households pay 30 percent of their income for rent and utilities.

Figures represents the average of the maximum affordable rent for very low income and low income households, assuming the following household sizes:

2 BR - 2 person household

3 BR - 3 person household

4 BR - 4 person household

(c) Represents the difference between prevailing market rents and maximum affordable rent.

(d) The total difference between market rents and maximum affordable rents for each unit type.

Source: CA Dept. of Housing and Community Development; Real Facts, 2009; BAE, 2009

### **Replace Units**

As an alternative to providing ongoing monthly rent subsidies, the nonprofit owner, the City, or another entity could attempt to purchase or develop replacement housing units that could be rented to the displaced lower-income households at similar rents. To offer a general perspective on the costs associated with new development, Table 2.21 provides per unit cost estimates for a 32-unit housing development built at a density of 30 dwelling units per acre. These estimates were drawn from interviews with housing developers regarding land values in Mountain View and Silicon Valley, an analysis of Mountain View impact fees, RSMeans *Square Foot Costs* estimating manual, interviews with developers on current costs for financing for on- and off-site improvements, and industry benchmarks regarding soft costs and developer fees for affordable housing projects.

As shown, the cost to construct new multifamily housing in Mountain View can be as much as \$483,000 per unit. It should be noted, however, that construction costs can vary greatly depending on factors such as location, density, unit sizes, parking requirements, construction materials, and on- and off-site improvements.

**Table 2.21: Replacement Cost Analysis**

	<u>Per Unit Cost (a)</u>
Land Cost	\$50,000
On & Off Site Improvements	\$20,000
Hard Costs	\$215,000
Soft Costs (b)	\$103,000
Financing Costs	\$21,000
Contingency	\$27,000
Developer Fee	\$47,000
<b>Total Estimated Cost</b>	<b>\$483,000</b>

**Notes:**

(a) Costs estimated for a 32 unit development at a density of 50 dwelling units to the acre.

(b) Includes residential development impact fees.

Sources: City of Mountain View, 2009; RSMeans *Square Foot Costs*, 2009; BAE, 2009***Financial Resources Available to the City to Assist in Preservation***

As shown above, preservation or replacement of affordable units can present a significant financial hurdle. Again, Mid-Peninsula Housing Coalition and Charities Housing are committed to maintaining San Vernon Park and Sierra Vista Apartments as affordable. The City of Mountain View and other affordable housing advocates have access to a range of different funds that could potentially assist in this preservation effort including:

- City Affordable Housing Fund
- CDBG Entitlement Funds
- Mortgage Revenue Bonds
- State Grant Programs
- Federal Grant Programs
- Low Income Housing Tax Credits
- HUD Section 8 “Mark to Market” Program
- Housing Trust of Santa Clara County

In addition to preserving or replacing affordable units, the property owners could refinance their property to extend affordability. Under this approach, the property owner could refinance the remaining portion of their debt using a variety of federal, state, or local funding sources, including some identified above. Refinancing would provide the property owner with a new source of subsidy or funding and would allow for extended affordability terms. In some cases, the funding sources for refinancing would require new affordability conditions. Mid-Peninsula Housing Coalition has refinanced several of their affordable properties in the past.

## 2.7. Special Needs Populations

Government Code Section 65583(a)(7) requires that Housing Elements include “an analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.” This section of the Needs Assessment profiles these populations with special housing needs.

### ***Elderly***

Many elderly residents face a unique set of housing needs, largely due to physical limitations, lower household incomes, and health care costs. Unit sizes and accessibility to transit, health care, and other services are important housing concerns for this population. Housing affordability also represents a key issue for seniors, many of whom are living on fixed incomes. As the Baby Boom generation ages, the need for senior housing serving various income levels is expected to continue growing in the Bay Area, California, and nation.

### ***Identification of Need***

As Table 2.22 indicates, 13 percent of householders in Mountain View were between 65 years and 84 years old in 2000 while another two percent were 85 years old or over. Santa Clara County has a slightly higher proportion of elderly householders with a total of 16 percent over the age of 65. Nearly 69 percent of households between 65 and 84 years old in Mountain View owned their homes.<sup>11</sup> While this homeownership rate is substantially higher than the rate for non-elderly households in the City, it is lower than the rate among elderly households in Santa Clara County as a whole.

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<sup>11</sup> More recent data is unavailable.

**Table 2.22: Elderly Household by Tenure, 2000**

	<b>Mountain View</b>		<b>Santa Clara County</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>Householder 15-64 years</b>				
Owner	9,772	36.8%	268,358	56.6%
Renter	16,791	63.2%	205,742	43.4%
<b>Total</b>	<b>26,563</b>	<b>100.0%</b>	<b>474,100</b>	<b>100.0%</b>
<b>Householder 65-84 years</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Owner	2,836	68.6%	63,919	78.0%
Renter	1,297	31.4%	17,980	22.0%
<b>Total</b>	<b>4,133</b>	<b>100.0%</b>	<b>81,899</b>	<b>100.0%</b>
<b>Householder 85+ years</b>				
Owner	301	65.0%	6,359	64.5%
Renter	162	35.0%	3,505	35.5%
<b>Total</b>	<b>463</b>	<b>100.0%</b>	<b>9,864</b>	<b>100.0%</b>
<b>Total Households</b>	<b>31,159</b>		<b>565,863</b>	
<b>Percent Householders 65-84 years</b>	<b>13.3%</b>		<b>14.5%</b>	
<b>Percent Householders 85+ years</b>	<b>1.5%</b>		<b>1.7%</b>	
<b>Total Percent Elderly (65+ years)</b>	<b>14.8%</b>		<b>16.2%</b>	

Sources: U.S. Census 2000, SF3-H14; BAE, 2009.

Mountain View's elderly renter households (65 years old and over) were more likely to be lower-income than their homeowner counterparts. As shown in Table 2.23, 74 percent of elderly renter households earned less than 80 percent of median family income, compared to just 49 percent of elderly owner households in 2000.<sup>12</sup>

<sup>12</sup> More recent data is unavailable.

**Table 2.23: Elderly Household Income by Tenure, Mountain View, 2000 (a)**

<b>Elderly Renter Households (b)</b>	<b>Number</b>	<b>Percent</b>
30% MFI or Less	712	43.2%
31% to 50% MFI	324	19.6%
51% to 80% MFI	182	11.0%
81% MFI or Greater	432	26.2%
<b>Total</b>	<b>1,650</b>	<b>100.0%</b>

<b>Elderly Owner Households</b>	<b>Number</b>	<b>Percent</b>
30% MFI or Less	598	17.9%
31% to 50% MFI	694	20.8%
51% to 80% MFI	350	10.5%
81% MFI or Greater	1,694	50.8%
<b>Total</b>	<b>3,336</b>	<b>100.0%</b>

<b>Total Elderly Households</b>	<b>Number</b>	<b>Percent</b>
30% MFI or Less	1,310	26.3%
31% to 50% MFI	1,018	20.4%
51% to 80% MFI	532	10.7%
81% MFI or Greater	2,126	42.6%
<b>Total (c)</b>	<b>4,986</b>	<b>100.0%</b>

**Notes:**

(a) Figures reported above are based on the HUD-published CHAS 2000 data series, which uses reported 1999 incomes. CHAS data reflect HUD-defined household income limits, for various household sizes, which are calculated for Mountain View.

Elderly household defined as those with householders 65 years old and over.

(b) Median Family Income for Santa Clara County.

(c) Totals may be different from previous table due to HUD special tabulations of Census 2000 data.

Sources: HUD, State of the Cities Data System: Comprehensive Housing Affordability Strategy (CHAS) special tabulations from Census 2000; BAE, 2009.

Generally, elderly households tend to pay a larger portion of their income to housing costs than other households. As Table 2.24 indicates, 50 percent of elderly renter households in Mountain View overpaid for housing and 26 percent severely overpaid in 2000. Elderly homeowners in Mountain View were less cost burdened than elderly renters. Twenty-eight percent of elderly homeowners overpaid for housing while 11 percent severely overpaid. Very low-income elderly renters had the highest incidence of housing cost burden with 73 percent overpaying for housing and 43 percent are severely overpaying for housing.<sup>13</sup>

<sup>13</sup> More recent data is unavailable.

**Table 2.24: Cost Burden for Elderly Households by Income Level, Mountain View, 2000 (a)**

	Income Level				All Elderly Households
	Extr. Low	Very Low	Low	Median+	
<b>Elderly Renter Households (b)</b>	<b>712</b>	<b>324</b>	<b>182</b>	<b>432</b>	<b>1,650</b>
% with Any Housing Problems	57.3%	75.6%	47.8%	29.4%	52.5%
% Cost Burden >30%	53.9%	72.5%	45.6%	29.4%	50.2%
% Cost Burden >50%	30.9%	43.2%	22.0%	7.6%	26.2%
<b>Elderly Owner Households</b>	<b>598</b>	<b>694</b>	<b>350</b>	<b>1,694</b>	<b>3,336</b>
% with Any Housing Problems	64.0%	36.6%	24.3%	13.5%	28.5%
% Cost Burden >30%	64.0%	36.0%	24.3%	13.5%	28.4%
% Cost Burden >50%	34.8%	11.5%	4.3%	3.0%	10.6%
<b>Total Elderly Households</b>	<b>1,310</b>	<b>1,018</b>	<b>532</b>	<b>2,126</b>	<b>4,986</b>
% with Any Housing Problems	60.4%	49.0%	32.3%	16.7%	36.4%
% Cost Burden >30%	58.5%	47.6%	31.6%	16.7%	35.6%
% Cost Burden >50%	32.7%	21.6%	10.4%	3.9%	15.8%

**Notes:**

(a) Figures reported above are based on the HUD-published CHAS 2000 data series, using 1999 incomes. CHAS data reflect HUD-defined household income limits, for various household sizes, calculated for Mountain View.

Elderly household defined as those with householders 65 years old and over.

(b) Renter data does not include renters living on boats, RVs or vans, excluding approximately 25,000 households nationwide.

**Definitions:**

Any Housing Problems signifies cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Cost Burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Sources: HUD, State of the Cities Data System: Comprehensive Housing Affordability Strategy (CHAS) Special Tabulations from Census 2000; BAE, 2009.

Mountain View offers a number of housing resources for seniors. As shown in Table 2.25, there are 12 Residential Care Facilities for the Elderly (RCFEs) with a total capacity of 128 residents. RCFEs provide care, supervision, and assistance with daily living such as bathing and grooming.

**Table 2.25: Residential Care Facilities for the Elderly, Mountain View**

<b>Name of Facility</b>	<b>Facility Location</b>	<b>Capacity</b>
Aedita Residential Care Home	1874 Villa Street	6
Alvin Place Care Home	2522 Alvin Street	6
Casa Pastel Lane	13348 Pastel Lane	6
Cypress Manor	467 Sierra Vista Avenue #1	6
Diamond Res. Care – Brook Place	1309 Brook Place	6
Monte Farley II	586 Burgoyne Street	4
Paradise Care Home	1615 Miramonte Avenue	6
Pettis' Manor Family #B	739-B Pettis Avenue	6
Pettis' Manor Family #C	757 Pettis Avenue	15
Pinehill	801 Rose Avenue	6
Urso's Monte Farley Manor III	381 Farley Street	6
Villa Siena	1855 Miramonte Avenue	55
<b>Total</b>	<b>12</b>	<b>128</b>

Sources: California Healthcare Foundation, 2009; State of California Community Care Licensing Division, 2009; BAE, 2009

In addition to assisted living facilities, there are a number of affordable independent rental facilities for seniors (See Table 2.26). According to Mid-Peninsula Housing Coalition, a non-profit organization that owns and operates six independent senior housing developments in the City, there is demand for more senior housing in Mountain View. There are waiting lists for each of the six projects it operates. Turnover at these developments is very low, with residents staying for ten, twenty, or even thirty years. Often residents do not leave unless health conditions no longer permit them to live independently.

There are several nonprofit organizations which help seniors secure housing. The Avenidas' Information and Assistance program and the Community Services Agency's Senior Case Management program provide seniors with information on and referrals for housing opportunities. Staff at both organizations reported that there is demand for more senior housing in Mountain View, with the greatest need for affordable senior housing at both independent and assisted living facilities. While there are a number of subsidized independent senior housing projects, affordable assisted living in Mountain View is virtually nonexistent. The six affordable senior housing developments listed in Table 2.26 do not provide assisted living services.

**Table 2.26: Subsidized Rental Housing for Seniors, Mountain View**

	Unit Size			Total	Incomes Served
	Studio	1 Bedroom	2 Bedroom		
Central Park Apartments	0	149	1	150	Section 8
Ginzton Terrace	8	93	6	107	Up to 60% AMI
Monte Vista Terrace	74	60	16	150	Section 8
New Central Park Apartments	0	89	15	104	Up to 45% of AMI
Shorebreeze Apartments (a)	0	69	0	69	Up to 60% AMI
The Fountains	0	124	0	124	Up to 60% AMI
<b>Total</b>	<b>82</b>	<b>584</b>	<b>38</b>	<b>704</b>	

Notes:

(a) Shorebreeze Apartments provides units for families and seniors. The development includes 120 total units, of which 69 are reserved for seniors.

Sources: Mid Peninsula Housing Coalition, 2009; Avenidas, 2009; BAE, 2009

### ***Persons with Disabilities***

A disability is a physical or mental impairment that limits one or more major life activities.<sup>14</sup> Persons with a disability generally have lower incomes and often face barriers to finding employment or adequate housing due to physical or structural obstacles. This segment of the population often needs affordable housing that is located near public transportation, services, and shopping. Persons with disabilities may require units equipped with wheelchair accessibility or other special features that accommodate physical or sensory limitations. Depending on the severity of the disability, people may live independently with some assistance in their own homes, or may require assisted living and supportive services in special care facilities.

### ***Identification of Need***

Within the population of civilian, non-institutionalized residents, age five and older, the 2000 U.S. Census reports that 15 percent and 16 percent had a disability in Mountain View and Santa Clara County, respectively. Forty-five percent of persons with a disability in Mountain View were employed and between the ages of 16 years and 64 years old. Seniors (age 65 years and older) represented 28 percent of the City's disabled population.<sup>15</sup>

<sup>14</sup> According to the Americans with Disabilities Act, major life activities include seeing, hearing, speaking, walking, breathing, performing manual tasks, learning, caring for oneself, and working.

<sup>15</sup> More recent data on persons with disabilities is unavailable.

**Table 2.27: Persons with Disabilities by Employment Status, Mountain View, 2000**

<b>Age Category and Employment Status</b>	<b>Mountain View</b>		<b>Santa Clara County</b>	
	<b>Number</b>	<b>% of Total</b>	<b>Number</b>	<b>% of Total</b>
Age 5-15 (Not Employed) Children with a Disability	291	3.1%	9,419	3.7%
Age 16-64, Employed Persons with a Disability	4,249	44.6%	114,389	44.9%
Age 16-64, Not Employed Persons with a Disability	2,328	24.4%	70,311	27.6%
Age 65+ with a Disability	2,659	27.9%	60,610	23.8%
<b>Total Persons with a Disability</b>	<b>9,527</b>	<b>100.0%</b>	<b>254,729</b>	<b>100.0%</b>
<b>Total Population (Civilian Non-Institutionalized 5 years+)</b>	<b>65,832</b>		<b>1,552,217</b>	
<b>Disabled Persons as Percent Total Population</b>	<b>14.5%</b>		<b>16.4%</b>	

Sources: U.S. Census, SF3-P42, 2000; BAE, 2009.

According to the 2000 Census, employment disabilities, which are physical, mental, or emotional conditions lasting for six months or more that make it difficult to work, represented the most pervasive disability type in Mountain View. Approximately 73 percent of persons with disabilities, between the ages of 16 and 64 years, had employment disabilities. Another 36 percent of disabled persons in this age group had disabilities that prevented people from leaving their home to shop, visit the doctor, or access other services (a “go-outside-home disability”).

Among seniors with disabilities in Mountain View, 69 percent had a physical disability and another 50 percent had a go-outside-home disability. The distribution of disability types in Santa Clara County paralleled that of Mountain View. It should be noted that individuals may have more than one type of disability.

**Table 2.28: Disabilities by Disability Type, 2000**

Disability Type	Age 5-15		Age 16-64		Age 65+		Total	
	Number	Percent of Persons with Disabilities (a)	Number	Percent of Persons with Disabilities (a)	Number	Percent of Persons with Disabilities (a)	Number	Percent of Persons with Disabilities (a)
<b>City of Mountain View</b>								
Sensory Disability	38	13.1%	619	9.4%	719	27.0%	1,338	14.0%
Physical Disability	41	14.1%	1,416	21.5%	1,823	68.6%	3,239	34.0%
Mental Disability	257	88.3%	942	14.3%	811	30.5%	1,753	18.4%
Self-Care Disability	91	31.3%	391	5.9%	606	22.8%	997	10.5%
Go-Outside-Home Disability	N/A	N/A	2,383	36.2%	1,328	49.9%	3,711	39.0%
Employment Disability	N/A	N/A	4,807	73.1%	N/A	N/A	4,807	50.5%
<b>Total Disabilities (b)</b>	<b>427</b>		<b>10,558</b>		<b>5,287</b>		<b>16,272</b>	
<b>Santa Clara County</b>								
Sensory Disability	1,804	19.2%	16,480	8.9%	20,564	16.9%	37,044	14.5%
Physical Disability	1,640	17.4%	40,257	21.8%	39,508	32.5%	79,765	31.3%
Mental Disability	6,875	73.0%	28,044	15.2%	18,128	14.9%	46,172	18.1%
Self-Care Disability	2,222	23.6%	12,663	6.9%	12,897	10.6%	25,560	10.0%
Go-Outside-Home Disability	N/A	N/A	79,636	43.1%	30,596	25.1%	110,232	43.3%
Employment Disability	N/A	N/A	130,246	70.5%	N/A	N/A	130,246	51.1%
<b>Total Disabilities (b)</b>	<b>12,541</b>		<b>307,326</b>		<b>121,693</b>		<b>441,560</b>	

Notes:

(a) Total percent of persons with disabilities exceeds 100 percent because individuals may have more than one disability type.

(b) Total disabilities exceed total persons with disabilities because individuals may have more than one disability type.

Source: U.S.Census, SF3-P41, 2000; BAE, 2009.

As shown in Table 2.29, Mountain View has four licensed community care facilities that serve individuals with disabilities. Altogether, these facilities have a total capacity of 33 residents. Group homes provide specialized treatment for persons under the age of 18 while adult residential facilities offer care for persons between 18 and 59 years old, including both developmentally disabled adults and persons suffering from mental illness or psychiatric disorders.

**Table 2.29: Adult Residential Facilities, Mountain View**

Name of Facility	Facility Location	Type of Facility (a)	Capacity
Green Pastures	730 Comelia Court	Group Home	6
Bill Wilson Center	509 View Street	Group Home	6
San Antonio Manor	2402 Gabriel Street	Adult Residential	15
Sierra Manor	467 Sierra Vista Avenue #3	Adult Residential	6
<b>Total</b>	<b>4</b>		<b>33</b>

Notes:

(a) Group homes provide specialized treatment for persons under the age of 18.

Adult residential facilities offer care for persons age 18 to 59 years.

Sources: California Healthcare Foundation, 2009; State of California Community Care Licensing Division, 2009; BAE, 2009

### ***Large Households***

The U.S. Census Bureau defines large households as those with five or more persons. Large households may encounter difficulty in finding adequately-sized, affordable housing due to the limited supply of large units in many jurisdictions. Additionally, large units generally cost more to rent and buy than smaller units. This may cause larger families to live in overcrowded conditions and/or overpay for housing.

### ***Identification of Need***

As shown in Table 2.30, a relatively small proportion of households in Mountain View have five or more persons. In 2000, eight percent of renter households and six percent of owner households were large households. By comparison, 15 percent of renter households and 16 percent of owner households in Santa Clara County were large households.

**Table 2.30: Household Size by Tenure, Mountain View, 2000**

<b>Household Size</b>	<b>Owner</b>		<b>Renter</b>		<b>Total</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
1-4 Persons	12,195	94.5%	16,817	92.1%	29,012	93.1%
5+ Persons	714	5.5%	1,433	7.9%	2,147	6.9%
<b>Total</b>	<b>12,909</b>	<b>100.0%</b>	<b>18,250</b>	<b>100.0%</b>	<b>31,159</b>	<b>100.0%</b>

Source: U.S. Census, 2000, SF-3, H17; BAE, 2009.

Among large households in Mountain View, renters are more likely to have lower-incomes. As Table 2.31 demonstrates, of the large renter households, 58 percent had extremely low-, very low-, or low-incomes in 2000. By comparison, 18 percent of all large owner households fell into these income categories.<sup>16</sup>

At the same time, however, large owner households were more likely to overpay for housing than large renter households in every income category. Cost burden problems were particularly pronounced for extremely low-, very low-, and low-income owner households and extremely low- and very low-income renter households.

<sup>16</sup> More recent data is unavailable.

**Table 2.31: Cost Burden by Household Income Level for Large Households, 2000 (a)**

	Income Level				All Large Households
	Extr. Low	Very Low	Low	Median+	
<b>Large Renter Households (b)</b>	<b>269</b>	<b>287</b>	<b>235</b>	<b>565</b>	<b>1,356</b>
% With Any Housing Problems	98.5%	91.3%	91.5%	83.2%	89.4%
% Cost Burden >30%	91.1%	69.0%	14.9%	5.3%	37.5%
% Cost Burden >50%	76.2%	6.6%	0.0%	0.0%	16.5%
<b>Large Owner Households</b>	<b>20</b>	<b>60</b>	<b>49</b>	<b>594</b>	<b>723</b>
% With Any Housing Problems	100.0%	83.3%	49.0%	41.1%	46.8%
% Cost Burden >30%	100.0%	83.3%	49.0%	23.4%	32.2%
% Cost Burden >50%	100.0%	50.0%	8.2%	0.7%	8.0%

**Notes:**

(a) Figures reported above are based on the HUD-published CHAS 2000 data series, using 1999 incomes. Data reflects HUD-defined household income limits for various household sizes, calculated for Mountain View.

(b) Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

**Definitions:**

Large households defined as five or more person per household. Data presented for large related households.

Any Housing Problems signifies cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Cost Burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Sources: HUD, State of the Cities Data System: Comprehensive Housing Affordability Strategy (CHAS) Special Tabulations from Census 2000; BAE, 2009

While there are more large renter households than large owner households in Mountain View, the City's housing stock includes more large owner-occupied units than large renter-occupied units. In 2000, 41 percent of owner-occupied units and 10 percent of renter-occupied units had three bedrooms. In addition, approximately 19 percent of owner-occupied units had four or more bedrooms while less than two percent of renter-occupied units had four or more bedrooms (see Table 2.32). This finding points to a possible mismatch between the supply and demand for large rental units. The limited number of large units suggests that large renter households may live in overcrowded situations.

**Table 2.32: Existing Housing Stock by Number of Bedrooms, 2000**

<b>Mountain View</b>	<b>Owner Occupied</b>		<b>Renter Occupied</b>		<b>All Housing Units</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
No bedroom	136	1.1%	2,637	14.4%	2,773	8.9%
1 bedroom	1,065	8.3%	7,635	41.8%	8,700	27.9%
2 bedrooms	3,929	30.4%	5,907	32.4%	9,836	31.6%
3 bedrooms	5,313	41.2%	1,819	10.0%	7,132	22.9%
4 bedrooms	2,043	15.8%	201	1.1%	2,244	7.2%
5 or more bedrooms	423	3.3%	51	0.3%	474	1.5%
<b>Total</b>	<b>12,909</b>	<b>100.0%</b>	<b>18,250</b>	<b>100.0%</b>	<b>31,159</b>	<b>100.0%</b>

Source: U.S. Census, SF3-H42, 2000; BAE, 2009.

### ***Female-headed Households***

According to the 2006 American Community Survey, 43 percent of single-parent female-headed households nationwide live at or below the federal poverty level, compared to national poverty rate of 10 percent. Single mothers have a greater risk of falling into poverty than single fathers due to factors such as the wage gap between men and women, insufficient training and education for higher-wage jobs, and inadequate child support. Households with single mothers also typically have special needs related to access to day care/childcare, health care, and other supportive services.

### ***Identified Need***

In 2008, single-parent female-headed households made up three percent of all Mountain View households. This constitutes just over 1,000 households in the City with single-mothers. By comparison, five percent of Santa Clara County households were single-parent, female-headed households. Mountain View had 637 households living below the poverty line, including 169 single-parent female-headed households (see Table 2.33).

**Table 2.33: Family Characteristics, Mountain View, 2008**

Household Type	Mountain View		Santa Clara County	
	Households	Percent	Households	Percent
<b>1-person household:</b>	<b>11,180</b>	<b>35.7%</b>	<b>128,289</b>	<b>21.6%</b>
Male householder (a)	5,889	18.8%	62,401	10.5%
Female householder (a)	5,291	16.9%	65,888	11.1%
<b>2 or more person household:</b>				
<b>Family households (b):</b>	<b>16,009</b>	<b>51.1%</b>	<b>415,349</b>	<b>69.9%</b>
Married-couple family:	12,571	40.1%	325,619	54.8%
With own children under 18 years	5,430	17.3%	164,975	27.8%
Other family:				
Male householder, no wife present:	1,156	3.7%	29,634	5.0%
With own children under 18 years	444	1.4%	12,075	2.0%
Female householder, no husband present	2,282	7.3%	60,096	10.1%
With own children under 18 years	1,053	3.4%	30,491	5.1%
<b>Non-Family households (c):</b>	<b>4,153</b>	<b>13.3%</b>	<b>50,723</b>	<b>8.5%</b>
Female Householder	1,600	5.1%	31,114	5.2%
Male householder	2,553	8.1%	19,609	3.3%
<b>Total Households (d)</b>	<b>31,342</b>	<b>100.0%</b>	<b>594,361</b>	<b>100.0%</b>
<b>Total Households Below Poverty Level</b>	<b>637</b>	<b>2.0%</b>	<b>22,096</b>	<b>3.7%</b>
<b>Female-Headed Households Below Poverty Level</b>	<b>220</b>	<b>34.5%</b>	<b>8,550</b>	<b>38.7%</b>
With own children under 18 years	169	26.5%	7,340	33.2%

**Notes:**

(a) One person in each household is designated the householder. Any adult household member 15 years old or over could be designated as the householder.

(b) A family is a householder living with one or more individuals related by birth, marriage, or adoption.

(c) A non-family household is a householder living alone or with nonrelatives only.

(d) Total households here may differ from household estimates provided by California Department of Finance shown in Table 2.1.

Sources: Claritas, 2008; BAE, 2009.

**Homeless**

The homeless population, including individuals with physical and mental disabilities and substance abuse problems, has a variety of special housing and service needs. Depending on an individual's circumstances, these needs may be addressed by emergency shelters, transitional housing, or supportive housing. The California Health and Safety Code definitions of emergency shelters, transitional housing, and supportive housing are provided below:

- **Emergency Shelters.** Housing with minimal supportive services for homeless persons that is limited to occupancy of up to six months by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay (Section 50801).

- **Transitional Housing.** Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months (Section 50675.2(h)).
- **Supportive Housing.** Housing with no limit on length of stay, that is occupied by low-income adults with one or more disabilities, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (Section 50675.14(b)).

#### *Identified Need*

Because homelessness is a regional issue, data presented in this section is based on statistics for both the City of Mountain View and Santa Clara County. Demand for emergency and transitional shelter is difficult to determine given the episodic nature of homelessness. Generally, episodes of homelessness among families or individuals can occur as a single event or periodically. The 2007 *Santa Clara County Homeless Survey* reported a point-in-time count of 7,202 homeless people county-wide on the streets and in emergency shelters, transitional housing, and domestic violence shelters. Approximately 1.7 percent of these individuals, or 122 persons, were located in the City of Mountain View. By comparison, the *Homeless Survey* reported 53 homeless individuals in Cupertino, 237 people in Palo Alto, and 640 individuals in Sunnyvale.<sup>17</sup> The larger homeless population in Palo Alto and Sunnyvale may be due, in part, to the presence of emergency shelters in those cities. There are two emergency shelters in Palo Alto and shelter in Sunnyvale that operates during the winter.

This count, however, should be considered conservative because many homeless individuals cannot be found, even with the most thorough methodology. In addition, the number of homeless individuals in Mountain View and elsewhere in Santa Clara County may have increased since the 2007 study was conducted, particularly given the current economic downturn.

As indicated in Table 2.34 below, approximately 89 percent of homeless individuals counted in Mountain View were unsheltered. By comparison, 71 percent of individuals counted in Santa Clara County as a whole were unsheltered. It should be noted that there are no permanent emergency shelters in Mountain View. However, the *Homeless Survey's* count of sheltered homeless individuals could include people in transitional housing, domestic violence shelters, and using hotel/motel vouchers.

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<sup>17</sup> The 2009 *Santa Clara County Homeless Survey* has not been released as of this writing.

**Table 2.34: Santa Clara County Homeless Census and Survey, 2007 (a)**

<b>Setting</b>	<b>Individuals</b>	<b>Individuals Within Families</b>	<b>Total Population</b>	<b>% Total</b>
<b>Mountain View</b>				
Unsheltered (b)	109	0	109	89.3%
Sheltered (c)	3	10	13	10.7%
<b>Total</b>	<b>112</b>	<b>10</b>	<b>122</b>	<b>100.0%</b>
<b>% Total</b>	<b>92%</b>	<b>8%</b>	<b>100%</b>	
<b>Santa Clara County</b>				
Unsheltered	4,840	261	5,101	70.8%
Emergency Shelters (d)	759	240	999	13.9%
Transitional Housing Facilities (d)	346	756	1,102	15.3%
<b>Total</b>	<b>5,945</b>	<b>1,257</b>	<b>7,202</b>	<b>100.0%</b>
<b>% Total</b>	<b>82.5%</b>	<b>17.5%</b>	<b>100.0%</b>	

**Notes:**

(a) This Homeless Census and Survey was conducted over a two day period, from Jan. 29 to Jan. 30th, 2007. Mountain View unsheltered homeless data was collected on Jan 30, 2007. This survey, per HUD's new requirements, does not include people in rehabilitation facilities, hospitals or jails due to more narrow HUD definition of point-in-time homelessness.

(b) Individuals found sleeping in cars, RV's, vans, or encampments are considered part of the "unsheltered" homeless. In this survey, 57 individuals were counted sleeping in motor vehicles in Mountain View on Jan 30, 2007.

(c) Sheltered homeless include people occupying emergency shelters, transitional housing, domestic violence shelters, and using hotel/motel vouchers.

(d) Emergency Shelter and Transitional Housing data was collected from individual facilities on Jan.28, 2007.

Sources: Homeless Census and Survey, Santa Clara County and Applied Survey Research (ASR), Jan 29-30, 2007; BAE, 2009.

HUD defines a "chronically homeless" person as an unaccompanied individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. Disabling conditions include physical, mental and developmental disabilities, as well as alcoholism, drug addiction, depression, post-traumatic stress disorder, HIV/AIDS, or a chronic health condition. Twenty-nine percent of homeless individuals surveyed in 2007 were considered chronically homeless.

The point-in-time count of homeless individuals was used to calculate an annual estimate of the number of people who experience homelessness over the course of one year. Using a HUD-recommended formula, the *2007 Santa Clara County Homeless Census and Survey* estimated that 18,056 persons in the County were homeless at some time during 2006.

The largest proportion of homeless individuals surveyed in the County reported that job loss was the primary reason for their homelessness; 29 percent of those surveyed had lost their job. Overall, 81 percent of homeless respondents were unemployed. The second most common reason for homelessness was alcohol or drug use issues. Approximately 20 percent of homeless individuals surveyed indicated that alcohol or drug use was the primary cause of their homelessness.

Interviews with staff at the Community Services Agency of Mountain View (CSA), a local organization which provides homeless support services, suggest that the City's homeless population may be slightly larger than the 122 homeless individuals counted in Mountain View during the *2007 Santa Clara County Homeless Census and Survey*. CSA staff reports that they served approximately 300 homeless clients in the 2007-2008 fiscal year in Mountain View and Los Altos. A majority of these clients were from Mountain View with less than 10 coming from Los Altos. CSA provides assistance with the first month's rent for homeless individuals who are able to secure permanent housing. In addition, the organization assists clients with accessing housing waitlists and advocates on their behalf during their housing search process.

CSA has also operated the Alpha Omega Rotating Shelter in the past. The temporary emergency shelter operated at local churches in Mountain View and Los Altos. However, this program was discontinued in 2006 because of difficulties in securing funding and a shift towards a "Housing First" approach to assisting homeless individuals. Mountain View currently does not have an emergency homeless shelter. California Senate Bill SB2 now requires cities to identify a zoning district that permits by right a homeless shelter one year after the adoption of the Housing Element.

The Housing First approach to ending homelessness, an alternative to the emergency shelter system, focuses on providing homeless people with secure housing first followed by necessary social services. This approach is based on the belief that individuals are more responsive to interventions and social services support after they are in their own housing.

There are several permanent supportive housing opportunities in Mountain View. InnVision, an organization which provides assistance to homeless and at-risk families and individuals, operates the Graduate House in Mountain View. The Graduate House offers transitional housing for up to eighteen months for six men and women.

### ***Farmworkers***

Farmworkers may encounter special housing needs because of their limited income and seasonal nature of employment. Many farmworkers live in unsafe, substandard and/or crowded conditions. Housing needs for farmworkers include both permanent and seasonal housing for individuals, as well as permanent housing for families.

### ***Identified Need***

The U.S. Department of Agriculture (USDA) categorizes farmworkers into three groups: 1) permanent, 2) seasonal, and 3) migrant. Permanent farmworkers are typically employed year round by the same employer. A seasonal farmworker works an average of less than 150 days per year and earns at least half of his or her earned income from farm work. Migrant farmworkers are

a subset of seasonal farmworkers, and include those who have to travel to their workplace, and cannot return to their permanent residence within the same day.

Santa Clara County and the City of Mountain View, in particular, do not have large populations of farmworkers. As shown in Table 2.35, the 2007 USDA Census of Agriculture identified 5,589 farmworkers in Santa Clara County. Approximately half of farmworkers countywide were permanent employees in 2007. While the USDA does not provide farmworker employment data on a city level, other data suggests that the City's farmworker population is small. According to the California Employment Development Department, there were 24 individuals working in the agriculture, forestry, fishing, and hunting industry in Mountain View in the first quarter of 2008 (refer to Table 2.5). No significant active farming remains in the City today.

**Table 2.35: Farmworker Employment, Santa Clara County, 2007 (a)**

	<u>Number</u>	<u>Percent of Total</u>
Permanent	2,842	50.8%
Seasonal (work less than 150 days)	2,747	49.2%
<b>Total</b>	<b>5,589</b>	<b>100.0%</b>

Note:

(a) Includes hired farm labor (workers and payroll)

Sources: USDA Census of Agriculture, Table 7, 2007; BAE, 2009.

### **Key Draft Special Needs Populations Findings**

- **Seniors in Mountain View have a significantly greater homeownership rate than residents under 65 years, but also report lower household incomes.** Sixty-eight percent of senior households in Mountain View owned their homes in 2000, compared to only 37 percent of non-senior households. However, Mountain View senior households have lower homeownership rates than their counterparts throughout Santa Clara County, of which 77 percent own their homes.

At the same time, over 57 percent of elderly households in Mountain View earned less than 80 percent of the median family income in 2000. This finding, coupled with the City's 68 percent elderly homeownership rate, suggests that many senior households purchased their homes well before the most recent housing market boom, and are currently living on fixed-incomes while still paying down any outstanding mortgage balance.

Elderly renters were more likely to be lower-income than their owner counterparts; almost 74 percent of elderly renters earned less than 80 percent of median family income, compared to just 49 percent of elderly owners.

- **Very-low income elderly renters have the highest incidence of housing cost burden.** Approximately 73 percent overpaid for housing and 43 percent severely overpaid for housing in 2000.
- **There is a need for affordable senior housing for both independent and assisted living facilities.** While there are a number of subsidized independent senior housing projects, affordable assisted living in Mountain View is virtually nonexistent.
- **According to the U.S. Census, approximately 15 percent of Mountain View civilian, non-institutionalized residents, age five and older, report some kind of disability.** This compares to 16 percent of residents throughout Santa Clara County. Mountain View has four licensed community care facilities with a total capacity of 33 residents that serve individuals with disabilities.
- **Mountain View has a relatively small proportion of large households.** In 2000, eight percent of renter households and six percent of owner household in the City had five or more persons. Large renter households in Mountain View are more likely to have lower-incomes than owner households. While there are more large renter households than owner households in Mountain View, the City's housing stock includes more large owner-occupied units than renter-occupied units, suggesting a possible mismatch between supply and demand for large rental units.
- **The City has a slightly lower proportion of single-parent, female-headed households than Santa Clara County.** In 2008, single-mother households made up three percent of all Mountain View households, compared to five percent countywide. This constitutes just over 1,000 households in the City.
- **The January 2007 Santa Clara County Survey found 122 homeless individuals in Mountain View.** As of January 2007, *Santa Clara County Homeless Survey* reported a point-in-time count of 7,202 homeless people on the streets and in emergency shelters, transitional housing, and domestic violence shelters throughout the County. Among the homeless individuals in Mountain View, approximately 89 percent were unsheltered. By comparison, 71 percent of individuals counted in Santa Clara County as a whole were unsheltered. Organizations such as the Community Services Agency of Mountain View (CSA) and InnVision provide valuable support to these individuals and families.

- **Mountain View currently does not have an emergency homeless shelter.** California Senate Bill SB 2 now requires cities to identify a zoning district that permits by right a homeless shelter within one year of the adoption of the Housing Element.
- **The City of Mountain View does not have a large population of farmworkers.** According to the California Employment Development Department, there were 24 individuals working in the agriculture, forestry, fishing, and hunting industry in Mountain View in the first quarter of 2008.

### 3. Projected Housing Needs

This section of the Housing Element discusses Mountain View's projected housing needs for the current planning period, which runs from January 1, 2007 through June 30, 2014.

#### 3.1. Regional Housing Needs Allocation (RHNA)

Pursuant to California Government Code Section 65584, the State, regional councils of government (in this case, ABAG) and local governments must collectively determine each locality's share of regional housing need. In conjunction with the State-mandated Housing Element update cycle that requires Bay Area jurisdictions to update their Housing Elements by June 30, 2009, ABAG has allocated housing unit production needs for each jurisdiction within the Bay Area. These allocations set housing production goals for the planning period that runs from January 1, 2007 through June 30, 2014. Table 3.1 presents a summary of ABAG's housing need allocation for Mountain View for 2007 to 2014. Jurisdictions must demonstrate that they have sufficiently zoned residential land to accommodate their RHNA.

**Table 3.1: Regional Housing Needs Allocation, Mountain View, 2007-2014**

<b>Income Category</b>	<b>Mountain View Projected Need for units</b>
Very Low (0-50% of AMI)	571
Low (51-80% AMI)	388
Moderate (81-120% of AMI)	488
Above Moderate (over 120% of AMI)	1,152
<b>Total Units</b>	<b>2,599</b>

Sources: ABAG, RHNA March 20, 2008 for Period 2007-2014; BAE, 2009

Mountain View may count housing units constructed, approved, or proposed since January 1, 2007 toward satisfying its RHNA goals for this planning period. As shown in Table 3.2, the City issued building permits for 377 units in 2007 and 99 units in 2008. As a result, the remaining RHNA Mountain View must plan for is 2,123 units.

**Table 3.2: Approved Units (2007-2008) and Remaining RHNA Units Needed**

State Identified Affordability Categories	Current RHNA (2007-2014)	Units Added During Current RHNA Cycle (a)		Net New Units Needed
		2007	2008	
Very Low (up to 50% AMI)	571	104	0	467
Low (51%-80% AMI)	388	0	0	388
Moderate (81%-120% AMI)	488	4	0	484
Above Moderate (Greater than 120% AMI)	1,152	269	99	784
<b>Total</b>	<b>2,599</b>	<b>377</b>	<b>99</b>	<b>2,123</b>

**Notes:**

(a) Based on building permits issued.

Sources: City of Mountain View, 2009; BAE, 2009

### 3.2. Housing Needs for Extremely Low-Income Households

State law requires Housing Elements to quantify and analyze the existing and projected housing needs of extremely low-income households. HUD defines an extremely low-income household as one earning less than 30 percent of AMI. Housing need for extremely low-income households is considered to be a subset of a jurisdiction's very low-income housing RHNA. For this reason, housing needs for this subset of households are discussed in this chapter, rather than the special needs populations section of the Needs Assessment. Extremely low-income households encounter a unique set of housing situations and needs, and may often include special needs populations or represent families and individuals receiving public assistance, such as social security insurance (SSI) or disability insurance.

According to income limits published by HCD for Santa Clara County, an extremely low-income four-person household earned less than \$31,850 in 2008. As shown in Table 3.3 there were 3,446 extremely low-income households in Mountain View in 2000, including 2,540 renter households and 906 owner households. Extremely low-income households constituted 11 percent of all households in the City.

Extremely low-income renters experienced housing problems at a higher rate than extremely low-income owners. Approximately 72 percent of renters in this income category were cost burdened, compared to 68 percent of owners.

**Table 3.3: Extremely Low-Income Households, Mountain View, 2000**

	<u>Renters</u>	<u>Owners</u>	<u>Total</u>
<b>Total Number of ELI Households</b>	<b>2,540</b>	<b>906</b>	<b>3,446</b>
Percent with Any Housing Problems (a)	76.1%	68.0%	73.9%
Percent with Cost Burden (> 30% of income)	72.4%	68.0%	71.2%
Percent with Severe Cost Burden (> 50% of income)	58.7%	47.0%	55.6%
<b>Total Households</b>	<b>18,209</b>	<b>12,916</b>	<b>31,125</b>
<b>Percent of all Households</b>	<b>13.9%</b>	<b>7.0%</b>	<b>11.1%</b>

**Notes:**

(a) Any Housing Problems includes cost burden greater than 30% of income and/or overcrowding and/or without complete plumbing or kitchen facilities.

Sources: HUD, State of the Cities Data System: Comprehensive Housing Affordability Strategy (CHAS) Special Tabulations from Census 2000; BAE, 2009.

To estimate the projected housing need for extremely low-income households, 50 percent of Mountain View's 571 very low-income RHNA units are assumed to serve extremely low-income households.<sup>18</sup> Based on this methodology, the City has a projected need of 289 units for extremely low-income households over the 2007-2014 period.

Supportive housing provides opportunities for extremely low-income households to transition into stable, more productive lives. Supportive housing combines safe and stable shelter with supportive services such as job training, life skills training, substance abuse programs, and case management services.

Efficiency studios can also provide affordable housing opportunities for extremely low-income households. In 2006 a new affordable housing development with 118 efficiency studio units was completed in Mountain View. Efficiency studios are allowed with a Conditional Use Permit in the Commercial-Residential Arterial (CRA) zoning district and several Precise Plan areas in the City. Mountain View's Zoning Ordinance currently limits the total number of efficiency units to 180 units in the City. (Section A36.42.80B.)

**Key Draft Findings**

- **Mountain View's Regional Housing Needs Allocation (RHNA) for the 2007-2014 planning period is 2,599 units.** This includes 571 units for very low-income households,

<sup>18</sup> This methodology is accepted by HCD as a means to estimate the need for extremely low-income households.

388 units for low-income households, 488 unit for moderate-income households, and 1,152 units for above moderate-income households.

- **Since January 1, 2007, 476 residential building permits have been issued.** These units satisfy a portion of the City's for the 2007-2014 planning period, resulting in a remaining need of 2,123 units.
- **Extremely low-income households may require special housing solutions such as supportive housing or efficiency studios.** The City has a projected need of 234 units for extremely low-income households over the 2007-2014 planning period (50 percent of the City's 467 very low-income RHNA).

## 4. Housing Constraints

Section 65583(a)(4) of the California Government Code states that the Housing Element must analyze “*potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures.*” Where constraints are identified, the City is required to take action to mitigate or remove them.

In addition to government constraints, this section assesses other factors that may constrain the production of affordable housing in Mountain View. These include infrastructure availability, environmental features, economic and financing constraints, and public opinion.

### 4.1. Governmental Constraints

Government regulations can affect housing costs by limiting the supply of buildable land, setting standards and allowable densities for development, and exacting fees for the use of land or the construction of homes. The increased costs associated with such requirements can be passed on to consumers in the form of higher home prices and rents. Potential regulatory constraints include local land use policies (as defined in a community’s general plan), zoning regulations and their accompanying development standards, subdivision regulations, growth control ordinances or urban limit lines, and development impact and building permit fees. Lengthy approval and processing times also may represent regulatory constraints.

#### ***Zoning Ordinance***

The Mountain View Zoning Ordinance establishes development standards and densities for new housing in the City. These regulations include minimum lot sizes, maximum number of dwelling units per acre, lot width, setbacks, lot coverage, maximum building height, and minimum parking requirements. These standards are summarized in Appendix E.

The Zoning Map is generally consistent with the City’s current General Plan. However, it should be noted that Mountain View’s General Plan is being updated concurrently with this Housing Element Update. The Zoning Map and Ordinance may change in response to the City’s new General Plan.

The City’s residential zoning districts and their respective permitted densities and development standards are summarized below. In general, residential developers interviewed for this Housing Element update report that the Mountain View Zoning Ordinance does not act as a constraint to new housing production.

- **R1 Single-Family Residential.** The R1 district is intended for detached, single-family housing and related uses compatible with a quiet, family living environment. This district is consistent with the low-density residential land use designation in the City's General Plan. Minimum lot areas in the R1 district ranges from 6,000 square feet to 10,000 square feet. The maximum building height is 24 feet for single-story homes and 28 feet for two-story structures.
- **R2 One- and Two-Family Residential.** The R2 zoning district, consistent with the medium-low density residential land use designation of the General Plan, is intended for single-family dwellings, duplexes, low-density rowhouse and townhouse developments, small-lot single-family developments and similar and related compatible uses. This district requires minimum lot sizes of 7,000 to 10,000 square feet and allows maximum building heights of 24 feet for single-story structures and 30 feet for two-story structures.
- **R3 Multifamily Residential.** The R3 district is intended for multifamily housing including apartments, condominiums, rowhouse and townhouse development, small-lot single-family development and similar and related compatible uses. This district is consistent with the medium, medium-high, and high-density residential land use designation of the General Plan. This district accommodates a wide variety of densities through the Planned Unit Development (PUD) process, and allows densities of 13 to 46 dwelling unit per acre. The minimum lot size is 12,000 square feet. However, lots in Small-Lot Single-Family, Townhomes, and Rowhouse developments approved through the PUD process may be smaller. The maximum height is 45 feet, 36 feet to the top of the wall plate.
- **R4 High Density Residential and Multifamily.** The R4 zoning district, consistent with the General Plan's high density residential land use designation, is intended for multifamily housing including apartments, condominiums, rowhouse and townhouse development, small-lot single-family development and similar and related compatible uses. This district allows for densities of up to 60 dwelling units per acre. The maximum building height ranges from 62 feet to 70 feet.
- **RMH Mobile Home Park.** The RMH district allows for mobile homes within a mobile home park or mobile home subdivision with shared recreational and open space facilities. This district is consistent with the General Plan's mobile home park residential land use designation. The maximum density in the RHM district is eight dwelling units per acre.
- **CRA Arterial Commercial-Residential.** The CRA zoning district, consistent with the

General Plan's linear commercial/residential land use designation, permits a broad range of commercial, office, and residential uses along the City's major arterials. The maximum residential density in the CRA district is 43 dwelling units per acre and the maximum building height is 45 feet, 35 feet to the top of the wall plate. For mixed-use residential projects the minimum lot size is 20,000 square feet.

- **Companion Units.** Companion units, also known as secondary dwelling units or accessory dwelling units, are allowed in the R1 district. Companion units are allowed only when the site exceeds the minimum lot size required by 35 percent. In addition, the City assesses park fees for companion units, which typically range from \$15,000 to \$25,000 a unit. These requirements may act as a constraint to the production of companion units.

### ***Precise Plans***

Precise Plans are tools for coordinating future public and private improvements on specific properties where special conditions of size, shape, land ownership, or existing or desired development require particular attention. There are currently 32 Precise Plan areas in the City of Mountain View. Precise Plans are generally more flexible than traditional zoning standards and are designed to remove uncertainty around development for particular areas. These Precise Plans contain broad goals and objectives and establish development and design standards for the specific locations. The development standards in the Precise Plans have the same legal status as traditional zoning district standards.

### ***Parking***

Parking requirements may serve as a constraint on housing development by increasing development costs and reducing the amount of land available for project amenities or additional units. As shown in Table 4.1 below, off-street residential parking requirements vary by housing type. The Zoning Ordinance also requires bicycle parking for some housing types.

**Table 4.1: Off-Street Parking Requirements by Housing Type**

<b>Housing Type</b>	<b>Parking Required</b>	<b>Bicycle Spaces Required</b>
<b>Companion Unit</b>	1 Space Per Bedroom.	None.
<b>Multi-Family</b>	Studio: 1.5 Spaces Per Unit, 1 Covered. 1-Bedroom or More: 2 Spaces Per Unit, 1 Covered.  Guest Parking: 15% of the Parking Spaces required shall be conveniently located for Guest Parking (a).	1 Space Per Unit.  1 Space Per 10 Units.
<b>Rooming and Boarding House</b>	Parking Study Required.	Parking Study Required.
<b>Senior Congregate Care</b>	1.15 Spaces Per Unit; half the Spaces Covered.	2% of vehicle Spaces.
<b>Single-Family and Each Dwelling Unit in a Duplex</b>	2 Spaces, 1 Covered.	None.
<b>Efficiency Studios</b>	1 Space Per Unit; Plus 1 for Every Nonresident Employee (b).	1 Space Per 10 Units.
<b>Small-Lot, Single-Family</b>	2 Spaces, 1 Covered.  Guest Parking: 0.50 Space Per Unit.	None.
<b>Townhouse</b>	2 Spaces, 1 Covered.  Guest Parking: 0.6 Space for each Unit,	1 Space Per Unit.
<b>Rowhouse</b>	Studio Unit: 1.5 Spaces Per Unit, 1 Space shall be Covered. 1 Bedroom or More: 2 Covered Spaces.  Guest Parking: 0.3 Space Per Unit	1 Space Per Unit.

**Note:**

(a) The zoning administrator may increase the Parking requirement to 2.3 Spaces Per Unit if needed to ensure adequate Guest Spaces.

(b) Reduction of up to 0.50 spaces per unit may be granted through the conditional use permit process.

Sources: Mountain View Municipal Code, 2009; BAE, 2009.

The zoning administrator may grant a reduction in off-street parking requirements through a Conditional Use Permit. Applicants must demonstrate that changes in conditions or issues justify a reduction and that the reduction would not result in a parking deficiency.

In addition, the Zoning Ordinance includes several specific exceptions to parking standards. Efficiency studios require one space per unit. However, the Zoning Administrator may grant a reduction of up to 0.50 spaces per dwelling unit through a Conditional Use Permit for efficiency studios that are located in close proximity to a public transit stop and serve a substantial number of low- and very low-income tenants or seniors. Applicants for a Conditional Use Permit requesting a parking reduction must submit a parking management plan that ensures parking space availability and the low- and very low-income tenancy requirements.

***Inclusionary Housing***

In 1999, the City of Mountain View adopted an Inclusionary Housing Ordinance as part of its

**Zoning Ordinance.** Developers wanting to build three or more ownership units, five or more rental units, or six or more residential units in a mixed-tenure project must provide at least 10 percent of the total number of dwelling units within the development as below-market rate (BMR) units. All BMR units provided by developers must be integrated throughout the development and should be comparable to market-rate units in terms of size and design.

Although concerns exist that inclusionary housing may constrain production of market rate homes, studies have shown evidence to the contrary. The cost of an inclusionary housing requirement must ultimately be borne by either (1) developers through a lower return, (2) landowners through decreased land values, or (3) other homeowners through higher market rate sale prices. In fact, the cost of inclusionary housing and any other development fee “will always be split between all players in the development process.”<sup>19</sup> However, academics have pointed out that, over the long term, it is probable that landowners will bear most of the costs of inclusionary housing, not other homeowners or the developer (Mallach 1984, Hagman 1982, Ellickson 1985).

In addition, a 2004 study on housing starts between 1981 and 2001 in communities throughout California with and without inclusionary housing programs evidences that inclusionary housing programs do not lead to a decline in housing production. In fact, the study found that housing production actually increased after passage of local inclusionary housing ordinances in cities as diverse as San Diego, Carlsbad, and Sacramento.<sup>20</sup>

Despite these findings, the City of Mountain View recognizes the need for a financially feasible program that does not constrain production. As such, developers may pay an in-lieu fee when the 10 percent requirement results in a fraction of a unit or when the price of the homes in the development is too expensive to be practical for a BMR unit. Currently, developments with a projected sales price of more than \$592,000 may also pay the in-lieu fee rather than provide units. This sales price ceiling is adjusted annually to reflect changes in the cost of living. For ownership units, the in-lieu fee is calculated as three percent of the actual sales price of the unit. The in-lieu fee for a BMR rental unit is three percent of the appraised value of all units in developments with nine or more units or 1.5 percent of the appraised value of all units in developments with five to eight units. The in-lieu fee option offers developers greater flexibility in satisfying their BMR housing requirements, and helps mitigate potential constraints to production.

The City uses BMR in-lieu fees for new affordable housing projects that target households with the greatest housing needs. BMR in-lieu fees allow the city to assist households earning less than 50

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<sup>19</sup> W.A. Watkins. "Impact of Land Development Charges." *Land Economics* 75(3). 1999.

<sup>20</sup> David Rosen. "Inclusionary Housing and Its Impact on Housing and Land Markets." *NHC Affordable Housing Policy Review* 1(3). 2004

percent of AMI. For example, BMR in-lieu fees will be used for a downtown family development that will provide housing for very low- and low-income families in Mountain View. This group would generally not be served by BMR units provided directly by developers because for sale housing represents a large majority of new development in Mountain View. For-sale BMR units typically provides housing for moderate income households earning between 80 percent and 120 percent of AMI. In-lieu fees are also used in conjunction with other outside funding sources such as Low-Income Housing Tax Credits and State Multifamily Housing Program funds.

One local developer interviewed by BAE believed that Mountain View's BMR program works fairly well, reporting several positive aspects of the policy. The simple in-lieu fee formula based on a percentage of the sales price allows developers to estimate up-front what their BMR fees will be. In addition, the fact that the in-lieu fees are collected at the close of escrow helps developers manage their cash flow. If the City were to make any changes to its BMR policy, it would be important to include a system which allows projects already in the pipeline to continue to meet their BMR requirements under current rules.

### ***Park Dedication***

The City of Mountain View requires developers of residential subdivisions as well as single-family dwellings, duplexes, multifamily dwellings, mobile homes, townhomes, companion units and other dwelling units to dedicate park land, pay an in-lieu fee, or both as a condition of approval. If a proposed residential development includes land that has been designated as a park or recreational facility in the General Plan, the developer may be required to dedicate land. Developers are required to pay an in-lieu fee if the development occurs on land on which no park is shown or proposed, where dedication is impossible, impractical, or undesirable, or if the proposed development contains 50 or fewer units. The in-lieu fee is based on the fair market value of the land that otherwise would have been required for dedication.

The required land dedication varies by the proposed subdivision's density, ranging from 0.0045 acres (196 square feet) per dwelling unit for mobile homes to 0.0081 acres (353 square feet) per dwelling unit for low density development. In 2008, the park land dedication in-lieu fee was approximately \$15,000 to \$25,000 per unit, depending on the fair market value of the land. One developer reported that Mountain View's park in-lieu fee is relatively high because it is tied to the fair market value of land. The park in-lieu fee has increased in tandem with the escalating land values in the City.

However, Mountain View's park land dedication and in-lieu fees are comparable to similar requirements established in other Santa Clara County jurisdictions. Like Mountain View, the City of San José also bases its park in-lieu fee on fair market value of land. In 2008, San José's fees were comparable or slightly higher than Mountain View's fees. San José's park fees for single-

family detached units ranged from \$15,850 to \$38,550, depending on the area of the City. Park fees for multifamily units in San José ranged from \$10,450 to \$35,600, depending on location and the size of the development.

The City of Palo Alto's park dedication requirements vary depending on whether the project involves a subdivision or parcel map. The impact fee is much lower than Mountain View's for projects not requiring a subdivision or parcel map. Palo Alto collects \$9,354 per single-family unit and \$6,123 per multifamily unit. However, the requirement is substantially higher for projects involving a subdivision or parcel map. The City requires developers to dedicate 531 square feet per single-family unit or pay an in-lieu fee of \$47,700. The requirement for multifamily units is land dedication of 366 square feet per unit or an in-lieu fee of \$32,670 per unit.

The City of Sunnyvale's parkland dedication in-lieu fee is slightly lower than Mountain View's. Sunnyvale determines the in-lieu fee annually based on the value of land and is approved by the City Council each fiscal year. The current in-lieu fee is \$14,374.80 per unit for low density residential development (seven dwelling units per acre or less), \$13,068 per unit for low-medium density residential development (over seven to 14 dwelling units per acre), and \$9,408.96 per unit for medium and high density residential development (over 14 dwelling units per acre).

Mountain View allows developers to receive credit for private open space provided within their developments. Developers may receive credits for up to 50 percent of their park land dedication requirements for recreational spaces such as turf fields, children play areas, picnic areas, swimming pools, and recreation areas.

The City's ordinance currently exempts efficiency studios from paying the park in-lieu fee. Companion units (also known as accessory dwelling units or second units), however, are required to pay the park in-lieu fee. As noted above, this requirement can pose a constraint on companion unit production.

### ***Fees and Exactions***

Like cities throughout California, Mountain View collects development fees to recover the capital costs of providing community services and the administrative costs associated with processing applications. New housing typically requires payment of school impact fees, sewer and water connection fees, building permit fees, wastewater treatment plant fees, and a variety of handling and service charges. Typical fees collected in the City are outlined below in Table 4.2. According to area developers, impact fees in Mountain View are standard and comparable to fees assessed by other Bay Area jurisdictions. City staff report that most development fees in Mountain View are

adjusted for cost of living increases annually.<sup>21</sup>

**Table 4.2: Estimated Residential Development Impact Fees and Exactions**

Fee	Fee Amount	Single-Family (a)	Townhouse (b)	Multi-Family (c)
Sanitary Sewer Off-Site Facilities Fee	\$0.0069 / Sq. Ft.	\$13	\$11	\$8
Sanitary Sewer Existing Facilities Fee	\$67.00 / Front Foot	\$3,015	\$1,340	\$442
Water Main Existing Facilities Fee	\$78.00 / Front Foot	\$3,510	\$1,560	\$515
Off-Site Storm Drainage Fee				
First-Class Rate (for direct connection)	\$0.22 / Net Sq. Ft.	N/A	N/A	\$264
Second-Class Rate (for new subdivisions)	\$0.11 / Gross Sq. Ft.	\$605	\$231	N/A
Map Checking Fee	\$3,636 (First two lots) + \$10/Each Additional Lot	\$372	\$372	N/A
Park Land Dedication In-Lieu Fee	\$15,000-\$25,000 / unit depending on land value	\$20,000	\$20,000	\$15,000
Below Market Rate Housing in-lieu fee	3% of sales price or appraised value	\$30,726	\$22,611	\$14,400
Mountain View Whisman School District Fee	\$1.49 / Sq. Ft.	\$2,831	\$2,384	\$1,788
Mountain View Los Altos Union HS District Fee	\$0.99 / Sq. Ft.	\$1,881	\$1,584	\$1,188
Development Review Permit	\$646 for Buildings < 2,000 Sq. Ft. \$1,682-\$2,243 for Res. Buildings > 2,000 Sq. Ft.	\$646	\$646	\$45
Building Permit Fee	Calculated by Building Department	\$6,000	\$5,000	\$2,200
<b>TOTAL</b>		<b>\$69,599</b>	<b>\$55,739</b>	<b>\$35,850</b>

**Notes:**

(a) Fees estimated for a 1,900 sq. ft., 3-bedroom, 2.5-bathroom unit in a 10 unit subdivision.

(b) Fees estimated for a 1,600 sq. ft., 2-bedroom, 2 bathroom townhouse in a 10 unit subdivision.

(c) Fees estimated for a 1,200 sq. ft., 2-bedroom, 2-bathroom apartment in a 50 unit rental building.

Sources: City of Mountain View, Public Works Department 2009; City of Mountain View, Building Department, 2009; Mountain View Whisman School District, 2009; Mountain View Los Altos Union HS District, 2009; BAE, 2009

### **On- and Off-Site Improvements**

Residential developers are responsible for constructing road, water, sewer, and storm drainage improvements on new housing sites. Where a project has off-site impacts, such as increased runoff or added congestion at a nearby intersection, additional developer expenses may be necessary to mitigate impacts. The City's Subdivision Ordinance (Section 28 of the Municipal Code) establishes the on- and off-site improvement requirements that developers must adhere to. Local developers indicated that Mountain View's site improvement requirements are standard, comparable to other jurisdictions in the area, and do not constitute a significant constraint to development.

### **Processing and Permit Procedures**

The City of Mountain View has a unique process for approving new residential developments. Unlike most cities, where Planning Commissions review and grant approvals for proposed projects, Mountain View's Environmental Planning Commission is a non-entitlement body. Instead the Development Review Committee (DRC), which consists of the Deputy Zoning Administrator (staff

<sup>21</sup> BAE obtained development impact fees and exactions from City of Mountain View "Development and Subdivision Fee" schedule (effective August 10, 2008) and from the City of Mountain View Building Department, Mountain View Whisman School District, and Mountain View Los Altos Union High School District.

person) and two advising architects, reviews the architectural and site design of new projects and improvements to existing sites. The DRC approves smaller projects such as additions to new single-family and two-family homes in the R3 zoning district, but makes recommendations for all other types of residential projects. The Zoning Administrator reviews and approves Conditional Use Permits and recommends approval for residential projects not approved by the DRC. The City Council reviews and approves residential projects that are not approved by the DRC.

**Design Review by DRC.** The DRC considers proposed projects' conformance with the zoning ordinance and General Plan, as well as City-adopted design guidelines for single-family homes, rowhouses, townhouses, small-lot single-family homes, and development in R4 districts. According to City staff, small projects are generally reviewed and approved by the DRC in one meeting. Larger projects, on the other hand, may require multiple meetings during which design modifications are made at the request of the DRC. The DRC is intended to be a working meeting between the applicant and staff, and act as a collaborative process between the applicant and DRC.

Developers interviewed for this Housing Element Update indicated that the City's design review system can occasionally prove time consuming, and require multiple meetings with the DRC. There is not always consensus within the DRC on what constitutes good architecture and design for projects. The City recognizes this, and has begun to explore strategies to streamline the process. For example, local developers have indicated that planning staff could play a stronger role in offering developers clearer guidelines for design and play a more active role in the design review process.

**Zoning Administrator Approvals.** The Zoning Administrator, appointed by the City Manager, makes final decisions on single-family residences with major floor area ratio exceptions, Temporary Use Permits (including temporary emergency shelters), variances, planned unit developments, and planned community permits when specified within a precise plan. The Zoning Administrator holds a public hearing before making findings and determining the conditions of approval.

**City Council Approvals.** The City Council makes final decisions on tentative and final subdivision maps, planned community permits when specified within a precise plan, General Plan and Zoning map and Ordinance amendments, and any permit or entitlement application referred by the Zoning Administrator. The Council also reviews appeals on determinations by the DRC and the Zoning Administrator.

Council decisions are made based on recommendations provided by the DRC and Zoning Administrator. However, one developer reported that occasionally Council members' concerns and issues about the project do not align with the discussions that had taken place with the DRC and

staff over the previous year.

**Building Permit Processing.** The Building Inspection Department currently takes four weeks to review a building permit application for a single-family home. Building permit applications for planned community developments take approximately six weeks to review.

### ***Codes and Enforcement***

Mountain View has adopted the 2007 California Building Code, the 2007 California Mechanical Code, the 2007 California Plumbing Code, the 2007 California Electrical Code, the 2007 California Fire Code, the 1997 California Uniform Housing Code, the 1997 California Fire Code for the Abatement of Dangerous Buildings, the 2007 California Energy Code (Title 24, Part 6), and the 2007 Handicapped Accessibility Regulations (Title 24). City codes are updated regularly as these codes and standards are updated at state and national levels.

The City has adopted several minor amendments to the 2007 California Building Code. The California Building Code and the City's amendments to it have been adopted to prevent unsafe or hazardous building conditions. The City's building codes are reasonable and would not adversely affect the ability to construct housing in Mountain View.

### ***Provisions for Homeless Shelters and Transitional Housing***

Mountain View's Zoning Ordinance includes provisions for both emergency shelters and transitional housing.

Emergency shelters for the homeless, food kitchens, and other temporary or emergency personal relief services are allowed in all zoning districts for up to 35 days with a Temporary Use Permit. The purpose of a Temporary Use Permit is to allow short-term activities that may not meet the normal development or use standards of the applicable zoning district but may be acceptable because of their temporary nature. These shelters are limited to a maximum capacity of 29 people and must be located within an existing structure approved under the Uniform Building and Fire Codes for that use and occupancy. Applications for Temporary Use Permits require sketches or drawings showing the proposed use and a statement of operation. If the shelter proposes to remain open for longer than 35 days, the applicant must obtain letters of agreement from adjacent property owner(s) agreeing to the use. If the applicant is unable to obtain the letters, the applicant must then file for a Conditional Use Permit.

Homeless shelters intended to be a permanent use must obtain a Conditional Use Permit. The City's zoning code does not identify a zoning district which a homeless shelter can locate. However, the Zoning Administrator can make a determination that a homeless shelter is a use not named but similar to other uses in a zoning district. In this case, a permanent homeless shelter

would require a Conditional Use Permit. Potential sites for homeless shelters include zoning districts that permit or conditional permit multifamily housing, residential care facilities, motels and hotels, and rooming and boarding houses.

Transitional housing, configured as rental housing, operates under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible tenant after a predetermined period. The City's zoning code does not identify a zoning district which transitional housing can locate. However, the Zoning Administrator can make a determination that transitional housing is not a use not named but similar to other uses in a zoning district. In this case, a Conditional Use Permit would be required. Potential sites for transitional housing include zoning districts that permit or conditionally permit multifamily housing, residential care facilities, and rooming and boarding houses.

Effective January 1, 2008, State law requires all jurisdictions to have a zoning district that permits at least one year-round emergency shelter without a Conditional Use Permit or any other discretionary permit requirements. Jurisdictions such as Mountain View, which do not currently meet these requirements, must identify a zone where emergency shelters are permitted by-right within one year from the adoption of the housing element.

### ***Efficiency Studios***

Efficiency studios, also known as single-room occupancy (SRO) units, often provide affordable housing opportunities for lower-income residents. Mountain View's Zoning Ordinance requires SRO units to have a minimum floor area of 150 square feet and include a private bathroom and partial kitchen. The average size of SRO units cannot exceed 325 square feet. Efficiency studios are allowed with a Conditional Use Permit in the CRA zoning district and with a planned community permit in areas of the Downtown Precise Plan area that specifically lists efficiency studios as a permitted or provisional use.

Section A36.42.080 of the Mountain View Zoning Ordinance establishes a limitation on the number of new efficiency studio units built in the City. A maximum of 180 new efficiency studios may be brought into service after December 24, 1992.

Since the limit was established, 118 efficiency units have been developed as part of the San Antonio Place project, which was completed in 2006. Therefore, only 62 efficiency units may be developed in the City under the current Zoning Ordinance. This cap on efficiency studios may constrain the development of new efficiency projects in Mountain View.

### ***Constraints for Persons with Disabilities***

California Senate Bill 520 (SB 520), passed in October 2001, requires local housing elements to

evaluate constraints for persons with disabilities and develop programs which accommodate the housing needs of disabled persons.

**Procedures for Ensuring Reasonable Accommodation.** Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on cities and counties to make reasonable accommodations in their zoning and land use policies when such accommodations are necessary to provide equal access to housing for persons with disabilities. Reasonable accommodations refer to modifications or exemptions to particular policies that facilitate equal access to housing. Examples include exemptions to setbacks for wheelchair access structures or reductions to parking requirements.

Many jurisdictions do not have a specific process specifically designed for people with disabilities to make a reasonable accommodations request. Rather, cities provide disabled residents relief from the strict terms of their zoning ordinances through existing variance or Conditional Use Permit processes.<sup>22</sup> However, Mountain View's Zoning Ordinance (Sec. A36.56.050) currently states that "variances are not available for personal, family, medical, and financial hardships." This provision may constrain the City's ability to approve variances for reasonable accommodations requests for people with physical disabilities.

The City may want to consider adopting formal reasonable accommodation procedures. In May 15, 2001 letter, the California Attorney General recommended that cities adopt formal procedures for handling reasonable accommodations requests. While addressing reasonable accommodations requests through variances and Conditional Use Permits does not violate fair housing laws, it does increase the risk of wrongfully denying a disabled applicant's request for relief and incurring liability for monetary damages and penalties. Furthermore, reliance on variances and use permits may encourage, in some circumstances, community opposition to projects involving much needed housing for persons with disabilities. For these reasons, the Attorney General encouraged jurisdictions to amend their zoning ordinances to include a written procedure for handling reasonable accommodations requests.<sup>23</sup>

**Zoning and Other Land Use Regulations.** In conformance with state law, Mountain View's Zoning Ordinance permits residential care homes with six or fewer residents in all residential zones. These small group homes are not subject to special development requirements, policies, or procedures which would impede them from locating in a residential district. Residential care homes with seven or more residents are allowed through a Conditional Use Permit in all residential zones.

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<sup>22</sup> Lockyer, Bill, California Attorney General. Letter to All California Mayors. May 15, 2001. [http://caag.state.ca.us/civilrights/pdf/reasonab\\_1.pdf](http://caag.state.ca.us/civilrights/pdf/reasonab_1.pdf)

<sup>23</sup> Ibid.

Small group homes are currently not listed as a conditional use in the CRA zoning district. Because residential uses such as multifamily housing, townhouses, rowhouses, mixed-use commercial residential developments, and efficiency studios are conditionally permitted in the CRA zoning district.

Mountain View's zoning ordinance does not include a definition for the term "family." As a result, there is no restriction of occupancy of a housing unit to related individuals.

**Building Codes and Permitting.** The City's Building Code does not include any amendments to the 2007 California Building Code that might diminish the ability to accommodate persons with disabilities. However, the City may want to consider adoption of universal design elements as part of the building code. Universal design refers to the development of products and environments that are usable by all people, to the greatest extent possible, without the need for specialization or adaptation.

### ***Tree Preservation***

The City of Mountain View has a Tree Preservation Ordinance that is intended to prevent uncontrolled and indiscriminate destruction of mature trees that would detrimentally affect the health, safety, and welfare of the City. The Ordinance protects Heritage Trees, which are defined as:

- A tree which has a trunk with a circumference of 48 inches or more measured at 54 inches above the natural grade;
- A multi-branched tree which has major branches below 54 inches above the natural grade with a circumference of 48 inches measured just below the first major trunk fork;
- Any quercus (oak), sequoia (redwood), or cedrus (cedar) tree with a circumference of 12 inches or more when measured at 54 inches above natural grade; or
- A tree or grove of trees designated by resolution of the city council to be of special historical value or of significant community benefit.

Heritage trees may not be removed on public or private property without a valid heritage tree permit from the City. Applications for the removal of heritage trees in connection with a discretionary development project permit are subject to review by the City's Development Review Committee, Zoning Administrator, or City Council. Applications for permits are approved, conditionally approved, or denied by the official or hearing body which acts on the associated development permit application.

According to City staff, the City strives to preserve trees where possible. They may require

developers to build around trees. In some cases, developers are allowed to replace trees at a two-to-one ratio or three-to-one ratio, depending on the type of tree. Because a large share of residential development in Mountain View involves infill development involving demolition and replacement, building footprints are often already in place and tree preservation issues do not arise as a major concern to developers.

### ***Key Draft Governmental Constraints Findings***

- **Overall, Mountain View's Zoning Ordinance generally does not act as a constraint to new housing production.** The development standards and parking requirements for the six zoning districts that permit residential development are reasonable. When appropriate, the Zoning Administrator may also offer a conditional use permit to requirements such as parking ratios for smaller units.
- **Certain City policies may constrain production of companion units.** Companion units are allowed in the R1 zoning district. However, they are allowed only when the site exceeds the minimum lot size required by 35 percent. In addition, the City assesses park fees for companion units, which typically range from \$15,000 to \$25,000 a unit. These requirements may act as constraints to the production of companion units.
- **Mountain View's Inclusionary Housing Ordinance offers sufficient flexibility to developers and does not pose a constraint to production.** Mountain View's Inclusionary Housing Ordinance requires projects of a certain size to provide at least 10 percent of the total number of dwelling units as below-market rate or pay an in-lieu fee. The in-lieu fee option provides developers with greater flexibility in satisfying their inclusionary housing requirements, and helps mitigate potential constraints to production.
- **The City's development impact fees and exactions appear reasonable and comparable to those of other jurisdictions.** The park land dedication in-lieu fee is comparable to fees in Palo Alto, Sunnyvale, and San José. Overall, development fees and exactions total approximately \$69,600 for a single-family home, \$55,700 for a townhouse, and \$35,900 for an apartment unit. The City can consider strategies to discount or defer particular fees for affordable housing developments.
- **Mountain View's unique planning process for approving new residential developments can help facilitate the entitlement process.** The City's Development Review Committee (DRC) reviews the architectural and site design of all new projects and approves smaller projects. For larger projects, the Zoning Administrator or City Council makes final approval decisions after receiving recommendations from the DRC. The fact

that decisions are made by the DRC rather than the Environmental Planning Commission simplifies the entitlement process. However, local developers have indicated that the design review process with the DRC can occasionally be time consuming and labor intensive. The City is considering strategies to streamline this process.

- **The City must identify a zoning district where permanent emergency shelters are allowed by right.** Temporary emergency shelters are allowed in residential zoning districts with a Temporary Use Permit while permanent emergency shelters require a Conditional Use Permit. In order to comply with state law, Mountain View must identify a zoning district that allows permanent emergency shelters as a permitted use without any discretionary permits.
- **Mountain View's Zoning Ordinance establishes a limit on the number of new efficiency studio units built in the City.** A maximum of 180 efficiency studios may be brought into service after December 24, 1992. A total of 118 units have been built since the limit was established, resulting in 62 units remaining under the cap. This may constrain the development of new efficiency projects in Mountain View.
- **Mountain View's Zoning Ordinance does not offer a procedure for processing reasonable accommodations requests for people with physical disabilities.** Federal and state fair housing laws require jurisdictions to make reasonable accommodations to their zoning and land use policies when such accommodations are necessary to provide equal access to housing for persons with disabilities. The City's Zoning Ordinance (Sec. A36.56.060) currently states that "variances are not available for personal, family, medical, and financial hardships."

## 4.2. Non-Governmental Constraints

In addition to governmental constraints, there may be non-governmental factors which may constrain the production of new housing. These could include market-related conditions such as land and construction costs as well as public support for new development.

### ***Decline in Housing Market and Availability of Financing***

Local residential developers reported that the decline in the housing market and current economic downturn represent a constraint to new housing production. Although home values in Mountain View have remained high through 2008, annual sales volume has decreased since 2004. In 2004, 685 single-family homes were sold in Mountain View, compared to 301 in 2008. As a result of local, state, and national housing and economic trends, local developers predicted that far fewer housing units will be produced over the next several years. In many cases, the highest and best use

of land is no longer for-sale housing, as it was over the past five years.

A major short-term constraint to housing development is the lack of available financing due to tightening credit markets. Local developers reported that there is very little private financing available for both construction and permanent loans. Credit is available in rare cases because of the capacity of a development group or the unusual success of a project. However, developers suggest lenders are currently offering loans up to 50 percent of the building value, compared to 70 to 90 percent historically. This tightening credit market will significantly slow the pace of housing development in Mountain View.

### **Land Costs**

Land costs in Mountain View are generally high due to the high demand and limited supply of available land. Local developers indicated that land prices are slowly adjusting during this economic downturn. However, developers generally reported that the market is not efficient and land owners' expectations of what their land is worth declines slowly. Unless land owners are compelled to sell their property for some reason, many will wait for the market to recover.

Nonetheless, one developer did report that at the height of the housing boom, land prices in Mountain View were in the range of \$3 million to \$4 million per acre, with higher land values associated with property being developed at higher densities. Prices have since declined and can now be as low as \$2.5 million per acre.

The cost of land can be a particular constraint to the production of affordable housing in the City. A local affordable housing developer indicated that land costs in Mountain View are higher than in other cities in Santa Clara County such as San Jose, making the development of affordable housing more difficult. While land costs in San Jose are approximately \$50,000 per unit, Mountain View land costs range from \$60,000 to \$70,000 per unit.

### **Construction Costs**

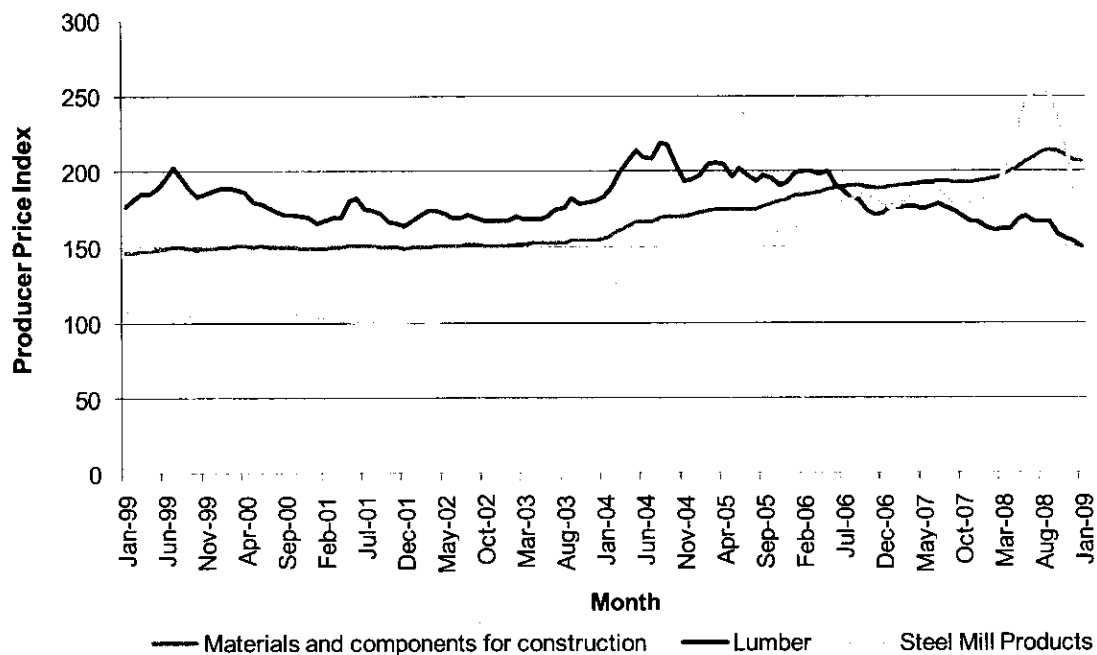
According to *2009 R.S. Means, Square Foot Costs*, hard construction costs for a two-story, wood-frame, single-family home range from approximately \$105 to \$140 per square foot in the South Bay Area. Costs for three-story, wood frame multifamily projects range from \$145 to \$210 per square foot. Construction costs, however, vary significantly depending on building materials and quality of finishes. Parking structures for multifamily developments represent another major variable in the development cost. In general, below-grade parking raises costs significantly. Soft costs (architectural and other professional fees, land carrying costs, transaction costs, construction period interest, etc.) comprise an additional 10 to 15 percent of the construction and land costs. Owner-occupied multifamily units have higher soft costs than renter-occupied units due to the increased need for construction defect liability insurance. Permanent debt financing, site

preparation, off-site infrastructure, impact fees, and developer profit add to the total development cost of a project.

In recent months, key construction costs (materials and labor) have fallen nationally in conjunction with the residential real estate market. Figure 5.1 illustrates construction cost trends for key materials based on the Producer Price Index, a series of indices published by the U.S. Department of Labor Bureau of Labor Statistics that measures the sales price for specific commodities and products. Lumber prices have declined by 19 percent between 2004 and 2008. As shown in Figure 4.1, steel prices have fallen sharply since August 2008. Local developers have confirmed that construction costs, including labor, have fallen by approximately 10 percent in tandem with the weak housing market.

However, it is important to note that although land cost and construction costs have waned, developers report that they have not fallen enough to offset the decrease in sales prices.

**Figure 4.1: Producer Price Index for Key Construction Costs**



Base year: 1982 = 100

Sources: U.S. Dept. of Labor, Bureau of Labor Statistics, 2009; BAE, 2009

### ***Public Opinion***

Other constraints to housing production in Mountain View include public opinion, specifically community concern about higher-density development. Developers acknowledged that projects will almost always encounter some form of resistance from neighbors and residents. This is the case not just in Mountain View, but in many jurisdictions. Within Mountain View, public opinion on new residential development at a range of densities varies by neighborhoods. Nevertheless, engagement with the local neighborhood associations can be critical for projects. According to developers, neighborhood association concerns can be influential in the City decision making process. Without a supportive local neighborhood association, projects can face notable challenges in securing approval.

Extensive community involvement processes can help to mitigate concern over new residential development. For example, the developer of an affordable efficiency studio project reported that proactive efforts to educate and engage the community through numerous meetings were successful in addressing community concerns. By the time the project went to the City Council for approval, there were no residents who opposed the project.

### ***Key Draft Non-Governmental Constraints Findings***

- **The decline in the housing market and the current economic downturn represent a constraint to new housing production.** Local developers report that far fewer housing units will be produced over the next few years due to the lack of available financing resulting from tightening credit markets. Developers suggest that lenders are currently offering loans up to 50 percent of the building value, compared to 70 to 90 percent historically.
- **Land costs in Mountain View are generally high due to the high demand and limited supply of available land.** Although land costs are slowly adjusting during this economic downturn, developers generally reported that the market can be slow to respond to changes in home values. Land costs can be a particular constraint to the production of affordable housing in Mountain View.
- **In recent months, key construction costs have fallen nationally in conjunction with the residential real estate market.** However, while land costs and construction costs have waned, developers report that they have not declined enough to offset falling sales prices.
- **Public opinion, particularly community concern over higher-density development, may constrain housing production in Mountain View.** Projects in many jurisdictions,

including Mountain View, often encounter some form of resistance from neighbors and residents. Engagement with local neighborhood associations and other community involvement processes can help to mitigate concern over new residential development.

## **5. Appendix A: List of Individuals and Organizations Contacted**

### ***Supportive Services Organizations***

#### **Avenidas**

Peggy Simon

Information and referral Specialist

#### **Community Services Agency**

Nadia Llieva

Alpha Omega Homeless Services Specialist

Maureen Wadiak

Associate Director

### ***Housing Developers***

#### **Charities Housing, Inc. (Affordable Housing Developer)**

Dan Wu

Interim Executive Director and Mountain View Resident

Kathy Robinson

Director of Housing Development

#### **Classics Communities**

Scott Ward

Vice President

#### **M.H. Podell Company**

Nick Podell

Developer

#### **Mid-Peninsula Housing Corporation (Affordable Housing Developer)**

Lori Kandels

Vice President

Jan Lindenthal

Vice President, Real Estate Development

Todd Marans

## 6. Appendix B: Needs Assessment Data Sources

- **Association of Bay Area Governments (ABAG).** ABAG, the regional planning agency for the nine county San Francisco Bay Area, produces population, housing, and employment projections for the cities and counties within its jurisdiction. The projections are updated every two years. BAE used data from the 2007 ABAG Projections in this Needs Assessment.
- **Bay Area Economics (BAE)** – Generally, BAE is listed as a source simply to indicate that it is responsible for assembling the table.
- **Claritas, Inc.** Claritas is a private data vendor that offers demographic data for thousands of variables for numerous geographies, including cities, counties, and states. Using 2000 U.S. Census data as a benchmark, Claritas provides current year estimates for many demographic characteristics such as household composition, size, and income. This is particularly valuable given the fact that many cities have undergone significant change since the last decennial census was completed over nine years ago. BAE used Claritas data to characterize Mountain View's population and households and to describe the City's housing needs. Current-year demographic data from Claritas can be compared to decennial census data from 1990 and 2000.
- **DataQuick Information Systems.** DataQuick is a private data vendor that provides real estate information such as home sales price and sales volume trends. DataQuick also provides individual property records, which includes detailed information on property type, sales date, and sale amount. This information allowed BAE to assess the market sales price of homes sold in Mountain View between July 2008 and January 2009.
- **RealFacts.** RealFacts, a private data vendor, provides comprehensive information on residential rental markets. Based on surveys of large apartment complexes with 50 or more units, this data includes an inventory analysis as well as quarterly and annual rent and occupancy trends.
- **Santa Clara County Homeless Census and Survey, 2007.** In January 2007, a count of homeless individuals in Santa Clara County was conducted. Concurrently, one-on-one interviews with homeless individuals were completed to create a qualitative profile of the County's homeless population. This report provides detailed information on the size and

composition of the homeless population in Santa Clara County.

- **State of California, Department of Finance.** The Department of Finance publishes annual population estimates for the State, counties, and cities, along with information on the number of housing units, vacancies, average household size, and special populations. The Department also produces population forecasts for the State and counties with age, sex, and race/ethnic detail. The demographic data published by the Department of Finance serves as the single official source for State planning and budgeting, informing various appropriation decisions.
- **State of California, Employment Development Department.** The Employment Development Department publishes the Quarterly Census of Employment and Wages (QCEW) for the State, counties, metropolitan areas, and cities. The QCEW provides the count of employment and wages by industry for workers covered by unemployment insurance programs. The data is derived from reports filed by employers each quarter.
- **USDA Census of Agriculture, 2007.** Every five years the U.S. Department of Agriculture (USDA) publishes a complete count of U.S. farms and ranches and the people who operate them. This data source provides county-level data on the number of permanent and seasonal farmworkers.
- **U.S. Census Bureau.** The Census Bureau collects and disseminates a wide range of data that is useful in assessing demographic conditions and housing needs. These are discussed below.
  - **Decennial Census.** The 2000 Census provides a wide range of population and housing data for the City of Mountain View as well as the County, region, and State. The decennial Census represents a count of everyone living in the United States every ten years. In 2000, every household received a questionnaire asking for information about sex, age, relationship, Hispanic origin, race, and tenure. In addition, approximately 17 percent of households received a much longer questionnaire which included questions social, economic, and financial characteristics of their household as well as the physical characteristics of their housing unit. Although the last decennial census was conducted nine years ago, it remains the most reliable source for many data points because of the comprehensive nature of the survey.
  - The U.S. Census Bureau also publishes the American Community Survey (ACS), an on-going survey sent to a small sample of the population that provides demographic, social, economic, and housing information for cities and counties every year.

However, due to the small sample size, there is a notable margin of error in ACS data, particularly for moderately-sized communities like Mountain View. The ACS sample size for Mountain View for 2005 to 2007 was 2,861 people. This represents less than four percent of the City's population. For this reason, BAE does not utilize ACS data despite the fact that it provides more current information than the 2000 Census.

- **Public Use Microdata Sample (PUMS).** PUMS files contain individual records of characteristics for a five percent sample of people and housing units in the 2000 Census. The Census Bureau publishes commonly used summary tables of population and housing characteristics using PUMS files. BAE used PUMS files to conduct demographic analysis for particular population segments and variables that are not provided in the published summary tables.
- **Comprehensive Housing Affordability Strategy (CHAS).** CHAS provides special tabulation data from the 2000 Census which shows housing problems for particular populations, including the elderly, low-income households, and large households. This data is used in the assessment of demand for special needs housing.
- **Building Permits.** The Census Bureau provides data on the number of residential building permits issued by cities by building type.
- **RSMeans *Square Foot Costs*.** RSMeans is North America's leading supplier of construction cost information. RSMeans provides accurate and up-to-date cost information that helps owners, developers, architects, engineers, contractors and others to carefully and precisely project and control the cost of both new building construction and renovation projects. *Square Foot Costs* is published annually, and includes detailed construction cost information for various types of residential and commercial developments.

**7. Appendix C: Population and  
Household Trends and Projections  
for Neighboring Cities**

**Table E.4: R2 Zoning District Development Standards**

<b>Dwelling Unit Types</b>	The following standards apply to a duplex or two single-family dwellings on a lot.
<b>Lot Area</b>	7,000 sq. ft. minimum or any larger area required by Section A36.12.030.B.1, except
<b>Lot Width</b>	60 feet minimum for interior lots; 70 feet for corner lots; or other width required by Section A36.12.030.B.1.
<b>Density</b>	1 duplex or 2 single-family dwellings per 7,000 square-foot parcel, maximum, or any larger area required by Section A36.12.030.B.1. If lot is less than 7,000 square feet, only one dwelling unit is permitted.
<b>Floor Area Ratio</b> (See Section A36.12.040.I)	0.55 maximum; calculated by dividing total building floor area (including garages) by total lot area.
<b>Setbacks</b> (See Figure A36.12-3)	See Section A36.12.040.I for exceptions to required setbacks, Section A36.12.040.G for setbacks applicable to accessory structures, and Article 36.27 for special street setback provisions that may override the following front and side setback requirements. The following setbacks apply to any new construction, regardless of the existing building's setbacks.
	<b>Front</b> 20 ft. minimum for the first floor wall; 5 ft. from the first floor wall for a second floor over an attached garage, where garage projects forward. <b>Sides (1st-story)</b> 5 ft. minimum and 12 ft. total for both sides. <b>Sides (2nd-story)</b> 7 ft. minimum and 15 ft. total for both sides. <b>Street sides (corner lots)</b> 15 ft. minimum. <b>Rear</b> 1st story portions of structure: 20% of the lot depth or 15 ft., whichever is greater, but not more than 40 ft. maximum, required. Encroachments allowed, see Section A36.12.040.I; 2nd story portions of structure: 25% of the lot depth or 20 ft., whichever is greater, but not more than 40 ft. maximum, required. <b>Interior</b> Minimum separation between principal structures $\frac{1}{2}$ the sum of the heights of the nearest building walls measured to top of wall plate, with 12 ft. minimum.
<b>Height Limits</b>	See Section 36.40.1 for exceptions to height limits and Section A36.12.040.G for height limits applicable to accessory structures.
	<b>Principal structures</b> Maximum height for 1 story: 24 feet Maximum height for 2 stories: 30 feet; Maximum 1st floor height at top of wall plate: 15 ft; maximum 2nd floor height at top of wall plate: 22 ft.
<b>Second-Story Decks</b>	The total square footage of all decks and balconies located at floor level of the second story cannot exceed 150 sq. ft. Such decks and balconies are allowed only on the front and rear of houses, except that on corner lots they are allowed on the side facing the street. Second-story decks and balconies are subject to second-story setbacks except as provided for in Section A36.12.040.I.5.
<b>Landscaping Required</b> (see Landscaping section of Design Guidelines for Single-Family Residential)	50% of the required front setback area shall be permanently landscaped. Street trees shall be planted in front of all structures with second story additions.
<b>Parking</b>	See Article 36.37 (Parking and Loading).
<b>Signs</b>	See Section 36.10.6 and Article 36.41 (Signs).

Sources: City of Mountain View Municipal Code (Sec. A36.12.030), 2009; BAE, 2009

**Table E.5: R2 Zoning District Minimum Lot Areas**

<u>Zoning Designation</u>	<u>Minimum Lot Area</u>	<u>Minimum Width</u>
R2	7,000 sq. ft.	60 feet corner lots: 70 feet
R2-8	8,000 sq. ft.	75 feet
R2-10	10,000 sq. ft.	80 feet
R2-10+	As noted by suffix	80 feet

Sources: City of Mountain View Municipal Code (Sec. A36.12.030), 2009; BAE, 2009

**Table E.6: R3 Zoning District Development Standards**

<b>Dwelling Unit Types</b>	The following standards apply to multi-family housing. Standards for small-lot single-family developments, townhouse and rowhouse developments are listed separately in Sections A36.12.040.J, A36.12.040.K and A36.12.040.L, respectively. The R1 standards (Section A36.12.030.A.3) apply when there is only one single-family dwelling on a lot, and the R2 standards (Section A36.12.030.B.2) apply when there is a duplex or two detached single-family dwellings on a lot.	
<b>Lot Area</b>	12,000 sq. ft. minimum except that lots in small-lot single-family, townhouse and rowhouse developments approved through a PUD permit may be smaller. See Section A36.12.030.C.3 for lot area required for multiple-family dwellings.	
<b>Lot Width</b>	80 ft. or 1/3 the lot depth (up to 200 ft. maximum), whichever is greater.	
<b>Lot Frontage</b>	As provided above for lot width, except that lots on cul-de-sacs or curved portions of streets may have a minimum frontage of 35 feet.	
<b>Floor Area Ratio</b>	1.05, maximum.	
<b>Setbacks</b>	See Section A36.12.040.G for setbacks applicable to accessory structures, Section A36.12.040.I for exceptions to required setbacks, and Article 36.27 for special street setback provisions that may override the following front and side setback requirements.	
(See Figure A36.12-4)	<b>Front</b>	15 ft., but not less than the height of the adjacent building wall as measured to the top of the wall plate.
	<b>Sides</b>	15 ft. or the height of the adjacent building wall measured to the top of the wall plate, whichever is greater.
	<b>Rear</b>	15 ft. or the height of the adjacent building wall measured to the top of the wall plate, whichever is greater.
	<b>Between principal structures</b>	12 ft., or 1/2 the sum of the height of the nearest opposing walls, including those that are portions of the same building separated by a court or other open space.
<b>Site Coverage</b>	35% of site, maximum area covered by structures; in R3-D zone, 40% of site, maximum area covered by structures.	
<b>Pavement Coverage</b>	20% of site, maximum outdoor area dedicated to automobile use; in R3-D zone, 30% maximum outdoor area dedicated to automobile use (see Section A36.30.020.D.1).	
<b>Height Limits</b>	See Section 36.40.1 for exceptions to height limits. 45 ft. maximum; 36 ft. maximum to top of wall plate for R3 only.	
<b>Open Area</b>	55% which shall include a minimum of 40 square feet of private open space (yards, decks, balconies) per unit. In R3-D areas, 35 percent with no private open space requirement. Particular attention shall be given to the inclusion and design of usable common recreation space in projects that may accommodate children of various ages.	
<b>Personal Storage</b>	500 cubic feet of enclosed and secured storage area for bulky personal effects (such as recreational equipment) for each unit; typically in garage area. In R3-D zone, no requirement.	
<b>Parking</b>	See Article 36.37 (Parking and Loading).	
<b>Signs</b>	See Section 36.11.13 Article 36.41 (Signs).	

Sources: City of Mountain View Municipal Code (Sec. A36.12.030), 2009; BAE, 2009

**Table E.7: R3 Zoning District Minimum Lot Areas**

<b>Zone</b>	<b>Minimum Lot Area Required (sq. ft.) by Number of Dwelling Units</b>						
	<b>1 unit</b>	<b>2 units</b>	<b>3 units</b>	<b>4 units</b>	<b>5 units</b>	<b>Additional units</b>	
R3-1	5,000	9,000	12,000	14,000	15,000	1,000	per unit
R3-1.25	5,000	9,000	12,000	14,000	15,250	1,250	"
R3-1.5	5,000	9,000	12,000	14,000	15,500	1,500	"
R3-2	5,000	9,000	12,000	14,000	16,000	2,000	"
R3-2.2	5,000	9,000	12,000	14,200	16,400	2,200	"
R3-2.5	5,000	9,000	12,000	14,500	17,000	2,500	"
R3-3	5,000	9,000	12,000	15,000	18,000	3,000	"
R3-4	5,000	9,000	12,000	16,000	20,000	4,000	"
R3-D	5,000	6,000	7,000	8,000	9,000	850 square feet for each additional unit up to 30 units, and 800 square feet for each additional unit for 31 or more units	

Sources: City of Mountain View Municipal Code (Sec. A36.12.030), 2009; BAE, 2009

**Table E.8: R4 Zoning District Development Standards**

<b>Criteria</b>	<p><b>Primary Criteria</b> (Required for sites that apply for R4 zoning):            Cannot be contiguous with R1 or R2 zones;            Minimum site size of at least 1 acre;            Allowed across the street from R1 zones, only when the street is an arterial (as identified in the General Plan).  <b>Secondary Criteria</b> (to be considered for sites that apply for R4 zoning): See R4 guidelines.</p>								
<b>Dwelling Unit Types</b>	The following standards apply to multi-family housing. Standards for small-lot, single-family developments, townhouse developments and rowhouse developments are listed separately in Sections A36.12.040.J, A36.12.040.K and A36.12.040.L respectively. The R1 standards (Section A36.12.030.A.3) apply when there is only one single-family dwelling on a lot, and the R2 standards (Section A36.12.030.B.2) apply when there is a duplex or two detached single-family dwellings on a lot.								
<b>Lot Area</b>	Project area--1-acre minimum. Individual lots in small-lot, single-family, townhouse and rowhouse developments approved through a PUD permit may be smaller.								
<b>Lot Width</b>	160 feet, minimum.								
<b>Lot Frontage</b>	As provided above for lot width, except that lots on cul-de-sacs or curved portions of streets may have a minimum frontage of 35 feet.								
<b>Density</b>	60 units per acre, maximum.								
<b>Floor Area Ratio</b>	1.40 maximum for projects that are equal to or under 40 units per acre; 1.95 maximum for projects between 41 and 50 units per acre; 2.30 maximum for projects that are between 51 and 60 units per acre.								
<b>Setbacks</b>	See Section A36.12.040.G for setbacks applicable to accessory structures, Section <table> <tr> <td><b>Front</b></td><td>15-foot minimum.</td></tr> <tr> <td><b>Side</b></td><td>1 to 2 stories--10-foot minimum; 3 stories--15-foot minimum.</td></tr> <tr> <td><b>Street Side</b></td><td>15-foot minimum.</td></tr> <tr> <td><b>Rear</b></td><td>15-foot minimum.</td></tr> </table>	<b>Front</b>	15-foot minimum.	<b>Side</b>	1 to 2 stories--10-foot minimum; 3 stories--15-foot minimum.	<b>Street Side</b>	15-foot minimum.	<b>Rear</b>	15-foot minimum.
<b>Front</b>	15-foot minimum.								
<b>Side</b>	1 to 2 stories--10-foot minimum; 3 stories--15-foot minimum.								
<b>Street Side</b>	15-foot minimum.								
<b>Rear</b>	15-foot minimum.								
<b>Height Limits</b>	See Section A36.40.I for exceptions to height limits. 52-foot maximum wall height/62-foot maximum ridge height; 60-foot maximum wall height/70-foot maximum ridge height under certain <table> <tr> <td><b>Across the street from R1 zones</b></td><td>40-foot maximum wall height at the facade, with upper floors set back 10 feet from the facade and a maximum height of 52 feet wall height/62 feet ridge height.</td></tr> </table>	<b>Across the street from R1 zones</b>	40-foot maximum wall height at the facade, with upper floors set back 10 feet from the facade and a maximum height of 52 feet wall height/62 feet ridge height.						
<b>Across the street from R1 zones</b>	40-foot maximum wall height at the facade, with upper floors set back 10 feet from the facade and a maximum height of 52 feet wall height/62 feet ridge height.								
<b>Open Area</b>	30 percent of site, minimum <b>Private Open Space</b> Average of 40 square feet per unit; Minimum area shall be 40 square feet, where provided.								
<b>Personal Storage</b>	Minimum of 80 square feet enclosed and secured storage area for bulky personal								
<b>Parking</b>	See Article A36.37 (Parking and Loading).								
<b>Signs</b>	See Article 36.38 (Signs).								

Sources: City of Mountain View Municipal Code (Sec. A36.12.030), 2009; BAE, 2009

**Table E.9: RMH Zoning District Development Standards**

<b>Setbacks</b>	All structures, including but not limited to mobile homes, shall be setback from property lines as follows: (1) Street frontage lot lines: thirty (30) feet (2) Exterior park lot lines not abutting street lines: ten (10) feet.
<b>Minimum site area</b>	Five (5) acres
<b>Density</b>	A maximum of eight (8) mobile home spaces per acre.
<b>Landscaping</b>	Mobile home parks shall be landscaped as follows: (1) Street frontages. Required setbacks shall be provided with a landscaped buffer at least fifteen (15) feet wide, except where cut by access driveways. Landscaping shall occupy a minimum of sixty (60) percent of the required street frontage setback area required by subsection E.1.c.(1), above. (2) a minimum ten (10) foot wide screen planting shall be established between the mobile home park and peripheral property lines. (3) A minimum twenty (20) percent of the total site area for each mobile home shall be permanently landscaped. (4) A minimum of forty-five (45) percent of the total common area(s) of a mobile home park shall be permanently landscaped. (5) At least one (1) fifteen (15) gallon tree shall be provided on each mobile home lot.
<b>Fencing</b>	The perimeter of a mobile home park or subdivision shall be enclosed by a six (6) foot high solid masonry wall (or alternate approved by the zoning administrator), located at the setback line along street frontages, and adjacent to property lines not abutting streets.
<b>Signs</b>	Sign area shall be limited to one (1) identification sign of fifty (50) square feet and one (1) directional sign of twenty-five (25) square feet, subject to zoning administrator approval.

Sources: City of Mountain View Municipal Code (Sec. A36.12.040), 2009; BAE, 2009

**Table E.10: CRA Zoning District Development Standards for Residential and Mixed Use**

<b>Dwelling Unit Standards</b>	The following standards apply to Multi-Family Housing:	
<b>Lot Area</b>	Standards for Townhouse and Rowhouse Developments are listed separately in Section 20,000 square foot minimum, except that lot sizes in Townhouse and Rowhouse	
<b>Lot Width</b>	None	
<b>Density</b>	43 units per acre maximum	
<b>Floor Area Ratio</b>	1.35 maximum for office, retail and housing (office portion shall not to exceed .35 FAR)	
<b>Setbacks</b>	See Section A36.12.040.I for exceptions to required setbacks and Article 36.27 for special street setback provisions that may override the following front and side setback requirements:	
	<b>Front</b>	5' behind sidewalk minimum
	<b>Rear</b>	15' minimum but not less than the height of the adjacent wall (measured to top of wall plate)
	<b>Sides</b>	15'
	<b>Between Principal Structures</b>	One-half the sum of nearest opposing walls (measured to top of wall plate)
<b>Site Coverage</b>	None	
<b>Pavement Coverage for Area Dedicated to Auto</b>	25% of site; Zoning Administrator may approve higher percentage in proportion to commercial in mixed use development	
<b>Height Limits</b>	See Section 36.40.I for exceptions to height limits. 45' to ridge (35' to top of wall plate) except that buildings with commercial space may be 50' to ridge; lower height may be required for portions of buildings adjacent to existing residential.	
<b>Open Area</b>	45% including 40 square feet of private open area per unit; Zoning Administrator may approve reduced open area in proportion to commercial space in mixed used development	
<b>Personal Storage</b>	80 square feet of enclosed and secured storage area for bulky personal effects (such as recreational equipment) for each unit; typically in garage area	
<b>Parking</b>	See Section 36.37 (Parking and Loading)	
<b>Signs for Commercial Uses in Mixed Use Development</b>	See Section A36.38.060.C (Signs). The Zoning Administrator may modify the sign regulations as appropriate for a development that includes residential uses.	

Sources: City of Mountain View Municipal Code (Sec. A36.14.030), 2009; BAE, 2009

**Table E.11: Companion Unit Development Standards**

<b>Minimum lot area</b>	35% larger than required by the applicable zone	
<b>Gross floor area</b>	700 sq. ft. of habitable floor area, maximum, and 200 sq. ft. for a garage, maximum, provided the total floor area for the lot does not exceed the maximums in Section A36.12.030.A.3.	
<b>Location of unit</b>	<b>Attached to a principal structure</b>	Ground level or above the garage.
	<b>Detached unit</b>	Rear half of lot.
	<b>Above a detached garage</b>	Rear half of lot.
<b>Site coverage, detached rear-yard units</b>	30% of the rear yard, maximum, including any other accessory structures, and projections of the primary dwelling.	
<b>Setbacks</b>	<b>Side</b>	1-story structure: 5 ft. minimum, 12 ft. total; 2-story over attached or detached garage: See Section A36.12.030.A.3 for 2nd story setbacks.
	<b>Rear</b>	1-story: 10 ft. minimum; 2-story over attached or detached garage: See Section A36.12.030.A.3 for 2nd story setbacks.
	<b>Interior</b>	10 ft. minimum, from primary dwelling or other structure, if detached.
<b>Height limit</b>	1-story detached: 16 ft. maximum and 9 ft. at top of wall plate; 1-story attached: See Section A36.12.030.A.3 for height limits for principal structures; 2-story (over garage): 28 ft. maximum.	
<b>Parking</b>	See Article 36.37 (Parking and Loading).	

Sources: City of Mountain View Municipal Code (Sec. A36.12.040), 2009; BAE, 2009

## 10. Glossary

**Adult Residential Facility** – Facilities of any capacity that provide 24-hour non-medical care for adults ages 18 through 59, who are unable to provide for their own daily needs. Adults may be physically handicapped, developmentally disabled, and/or mentally disabled.

**Area Median Income (AMI)** – The U.S. Department of Housing and Urban Development (HUD) estimates the median household income for an area in the current year and adjusts that amount for different household sizes. The median divides the income distribution into two equal parts with one-half of households falling below the median income and one-half of households above the median. The AMI is used to define household income groups (see Income Groups).

**Cost-burdened** – Households are considered “cost-burdened” (i.e., overpaying for housing) if they spend more than 30 percent of gross income on housing-related costs. Households are “severely cost-burdened” if they pay more than 50 percent of their income on housing costs.

**Emergency Shelter** – Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

**Family** – A family includes a householder (head of household) and one or more other people living in the same household who are related by birth, marriage, or adoption.

**Group Home** – A facility of any capacity which provides 24-hour nonmedical care and supervision to children with a significant emotional or behavioral problem in a structured environment, as defined by the California Department of Social Services.

**Household** – A person or group of persons living in a housing unit, as opposed to persons living in group quarters, such as dormitories, convalescent homes, or prisons.

**Income Groups** – Households are characterized as extremely low-income, very low-income, low-income, moderate-income, or above moderate-income, based on household size and percentages of AMI. The California Department of Housing and Community Development (HCD) publishes income limits annually for these groups.

*Extremely Low-Income – 0 percent to 30 percent of AMI*

*Very Low-Income – 31 percent to 50 percent of AMI*

*Low-Income – 51 percent to 80 percent of AMI*

*Moderate-Income – 81 percent to 120 percent of AMI*

*Above Moderate-Income – More than 120 percent of AMI*

**Jobs-Housing Ratio** – Compares the number of employed residents to the number of jobs in the City. In 2008, the ratio of employed residents to jobs in Mountain View stood at 0.71.

**Overcrowded** – Units with more than one person per room, excluding bathrooms and kitchens, are considered overcrowded by the U.S. Census. Units with more than 1.5 persons per room are considered to be severely overcrowded.

**Non-Family** – The U.S. Census Bureau defines a non-family household as a householder living alone or with non-relatives only.

**Reasonable Accommodation** – Modifications or exemptions to particular policies that facilitate equal access to housing. The federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on cities and counties to make reasonable accommodations in their zoning and land use policies when such accommodations are necessary to provide equal access to housing for persons with disabilities.

**Residential Care Facility for the Elderly (RCFE)** – These facilities provide care, supervision, and assistance with daily living such as bathing and grooming.

**Soft-Story Building** – Low-rise, multi-story (two to three stories), wood-frame apartment structures with a very flexible first story, typically due to an open-floor condition. This type of construction is typical of the majority of apartments built in the late 1960s and 1970s and has proven to be extremely vulnerable to collapse and failure in earthquakes.

**Supportive Housing** – Housing with no limit on length of stay, that is occupied by low-income adults with one or more disabilities, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

**Tenure** – Tenure distinguishes between owner-occupied housing units and renter-occupied units. A housing unit is owner-occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for. All occupied housing units that are not owner-occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

**Transitional Housing** – Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.

## 5. PUBLIC HEARING

### 5.1 Review of the Draft Housing Needs and Constraints Report

A staff report was presented with the recommendation that the Environmental Planning Commission review and provide feedback on the Draft Needs Assessment and Constraints report.

The report prepared by BAE provides an analysis of the housing needs and includes: demographic trends; employment trends; population and employment projects; housing stock characteristics; market conditions and housing affordability; discussion of existing assisted housing; analysis of special needs population; and an analysis of government and nongovernment constraints to construct housing.

Simon Alejandrino, Consultant for BAE, provided a brief overview of the regional housing requirements for the City of Mountain View, reporting that the Association of Bay Area Governments (ABAG) had allocated Mountain View 2,599 housing units for the 2007-14 Housing Element period.

Consultant Alejandrino and Senior Planner Scott Plambaeck presented information on demographics and affordability conditions as stated in the report. Consultant Alejandrino stated that the Housing Element is mandated by the State. He commented that there would be a section to discuss housing needs, housing constraints and production, adding that the goals and policies will be worked on over the summer.

Vice Chair McALISTER questioned and sought clarification on the basis of assumptions and facts noted in the report. Commissioner BROWN reviewed the total number of housing units allocated to the City and clarified that the City is required to identify what areas would be zoned to meet State requirements. Commissioner ANDERSON reviewed the time line process as it relates to the current seven-year City cycle.

Consultant Alejandrino continued to review the following data:

Demographics: The City of Mountain View experienced a 5 percent population increase over the past seven years and 51 percent of households are families. He provided comparisons with the rest of the County, noting that Mountain View is comprised more of younger workers renting properties; has slightly lower median household incomes; has smaller households than the Bay Area and the County as a whole; and that 41 percent of the population are homeowners.

Employment Growth: He stated that 19 percent growth in jobs has occurred over the past five years in Mountain View and that concentration of new jobs is in the information sector. Consultant Alejandrino stated that Mountain View is a "jobs-rich" city—employment is growing faster than the number of employed residents with 1.4 jobs per employed resident in the City.

Housing Stock: The City's stock is primarily multi-family housing, buildings with two to four units, and five+ units categories. Mountain View has a large percentage of renters and offers more compact, family-oriented housing stock than the County as a whole; 50 percent of homes are 40 years or older. Consultant Alejandrino clarified the definition of a "soft-story" building as used in the report and also reported that Mountain View has a strong housing market. He stated that the market is relatively robust and can maintain strength in a recession.

Affordability: Between 2000 and 2008, Mountain View experienced a 52 percent increase in median home pricing for single-family homes and condominiums experienced a 37 percent increase. Affordability in Mountain View continues to be challenging for homebuyers. Based on a maximum affordable home price and with 30 percent of income dedicated to housing costs (rent, utilities, etc), less than 10 percent of available housing was affordable to the moderate-income population. Condos were more affordable at 36 percent to moderate income.

Affordable Housing: Very low-, low- and moderate-income ranges.

Rental Market: Rents have been steadily increasing in the City of Mountain View. The average rent and occupancy have increased over the past four to five years.

Special Needs Population: This focuses on seniors and the homeless population and also includes disabled, single parent, etc. Data provided reflects a higher home ownership among seniors, however, at a lower, fixed income. Consultant Alejandrino reported that this is not uncommon, adding that there is an ongoing need for assisted affordable living facilities across the County.

Homeless Conditions: Based on a 2007 Santa Clara homeless survey, there are 122 homeless individuals in Mountain View with half of those in shelters. Consultant Alejandrino stated that there is currently no emergency housing shelter in Mountain View. He added that the State does require a zoning district to be identified to allow emergency homeless housing shelters one year after the adoption of the Housing Element.

Potential Constraints to Housing Production: Zoning policies to be reviewed may produce potential constraints. Consultant Alejandrino commented that the Zoning Ordinance will be adjusted as part of the update, including addition of language

that describes the process for allowing reasonable accommodation for persons with disabilities.

Nongovernmental constraints include housing market decline; decline in values; tightening in the credit market; and high land cost in Mountain View with a limited supply and a large demand.

Because the Housing Element and General Plan are closely linked, the outreach and background analysis for both are being done concurrently to ensure integration. Workshops are planned in May/June and in the fall of 2009. Because the City wants to integrate the Housing Element with the General Plan update, the Housing Element will not be completed by the State-mandated June 30, 2009 deadline. The goal is to have the draft Housing Element ready to submit to the State Department of Housing and Community Development (HCD) in December 2009.

Vice Chair McALISTER asked how can the City challenge the assumptions regarding the number of units that the City needs to produce for ABAG if "needs" are determined by ABAG in terms of number of units. Staff and the consultant responded, stating that the numbers were set several years ago and can no longer be challenged; the numbers are determined by HCD and allocated to cities by ABAG. Vice Chair McALISTER asked at what point could the City say no to the requirement. Staff and the consultant stated that, at this stage, the City has already commented on the ABAG process, and that they cannot be changed at this point.

There was a question-and-answer period where staff and the consultant addressed questions from the Commissioners regarding the information provided. Staff and the consultant stated they expect Mountain View will be close to meeting the numbers to accommodate housing requirements without major rezoning.

There was discussion of the U.S. Census process which was reported to be only in short form now. The long Census form occurs on a rolling basis and results offered are based on a sample. The consultant reported that the City of Mountain View has less than 2 percent vacant land, adding that redevelopment is another category in the plan. Vice Chair McALISTER queried at what point a City would be considered built out, adding that, based on present zoning, the City may be limited by how much it can realistically grow.

Commissioner BROWN added that there were sites identified in the previous Housing Element. Staff and the consultant responded that they are looking at what is available right now.

Chairperson SODERBERG invited public comment at this time.

Joan McDonald, League of Women Voters, expressed concern that with existing constraints, the Commission should consider how much of the low-income, affordable housing needs were met through the previous Housing Element. She expressed concern about the use of 2007 homeless numbers in the report as the current numbers are higher now. She questioned if this Housing Element is supposed to sustain the City for seven years with an uncertain economic recovery in the near future.

Bena Chang, Silicon Valley Leadership Group, which represents over 270 companies in Silicon Valley, stated that the lack of affordable housing is still the No. 1 concern of companies surveyed. Ms. Chang stated that entry-level housing options are needed in Mountain View, and she commented that, based on personal experience, it is very challenging to find single-family housing within a moderate price range in Mountain View.

Theo Nikos, homeless representative, asked for information on a building located on Middlefield Road, which had been used as a nonprofit and has been empty for the past three years. He asked for assistance in trying to find the owner of the building, which could be developed into a homeless project. He reiterated the need for a homeless shelter in the City of Mountain View.

A female member of the public commented that she would like to add more context and more perspective in the Housing Element to reflect what is going on in neighboring cities such as information on how other neighboring cities are doing in meeting the housing needs of a broader work force.

Administrative and Neighborhood Services Manager Linda Lauzze commented on the nonprofit building previously in question, stating that the County of Santa Clara owns the building.

Commissioner TRONTELL commented that, recognizing the changing economic standards, current projections may not reflect the current recession. She suggested that more up-to-date projections be incorporated into the Housing Element. The consultant responded that ABAG breaks down job projections into smaller categories as it relates to types of housing needs. He added that job projections, as reflected in the current draft document, related to available unemployment insurance data.

There was a brief discussion regarding a mixed-use approach: Where are the appropriate places to permit mixed use? A mixed-use project in a good location could promote walkability. There were suggestions to clarify and verify percentages and numbers/data; there was also a suggestion to define concepts used in the draft for clarification purposes with an editing of qualifiers used in the draft document.

Consultant Alejandrino stated that the Housing Element is about planning to make space for the required number of units—it is not about production. The number is a target, a goal; the City is not legally required to produce that many units. He added that ABAG has a report of every city's production over the last planning period and no one has built 100 percent of the affordable units that were established.

Commissioner ANDERSON suggested that the Commission view the sites to be noted in the upcoming site analysis. Senior Planner Plambaeck stated that the document would be presented in complete, reedited form in September 2009.

Commissioner TRONTELL requested attention to an additional two areas—possible understatement of the number of homeless and possible overstatement of expected population and job growth in the coming years.

6. **NEW BUSINESS—None.**
7. **COMMISSION/STAFF ANNOUNCEMENTS, QUESTIONS AND COMMITTEE REPORTS**

#### **7.1 Possible Upcoming Agenda Items**

- a. April 29, 2009—CS Zone Study
- b. May 6, 2009—General Plan PAC meeting. Principal Planner Alkire reported that the information provided for the upcoming General Plan PAC meeting would reflect current conditions in the City on a number of topics.

Principal Planner Alkire stated that the General Plan workshop schedule will be e-mailed to the Commissioners and he provided the schedule for the May and June meetings.

#### **7.2 Announcements**

Commissioner ANDERSON reported briefly on the recent planners conference and mini-expo that was held in Anaheim, California.

Commissioner BROWN reported on The Living Legacy catalog of "New Deal" artifacts in California. She reported on several major, local sites to be cataloged in The Living Legacy catalog.

**Plambaeck, Scott**

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**From:** ROY HAYTER [rghayter@sbcglobal.net]  
**Sent:** Saturday, May 09, 2009 2:22 PM  
**To:** Eric Anderson; Laura Brown; Todd Fernandez; John McAlister; Arnold Soderberg; Kathy Trontell; Robert T. Chang  
**Cc:** Alkire, Martin; Plambaeck, Scott; Tsuda, Randy; bae1@bae1.com  
**Subject:** Comments on BAE Report of April 22, 2009

1691 Yale Drive  
 Mountain View  
 CA 94040  
 May 9, 2009

Chairperson Soderberg and Members of the Environmental Planning Commission City Hall, 500 Castro Street PO Box 7540 Mountain View, CA 94039-7540

Chairperson Soderberg and Members of the Environmental Planning Commission,

Advocates for Affordable Housing (AAH), a volunteer group of Mountain View residents concerned with issues related to affordable housing, would like to comment on the report prepared by Bay Area Economics (BAE) entitled "City of Mountain View Housing Element: Needs Assessment and Constraints, 2007-2014", which was discussed at the meeting of the Environmental Planning Commission on April 22, 2009.

First of all, we would like to congratulate BAE on a very thorough and informative report, which covers many of the factors that affect housing in Mountain View. Overall, BAE have reported clearly on an impressive data collection. We encourage BAE to expand the use of data from 2008 and to analyze additional housing trends since 2000. In many instances, the 2000 Census data is discussed, but is not compared to the situation in 2008. We offer other comments based on the "Key Draft Findings" below.

On page 8, BAE concludes "Mountain View has experienced more moderate growth compared to Santa Clara County and the Bay Area as a whole. Between 1990 and 2008 the City's population increased by 10 percent from 67,460 to 73,932." It would be very helpful if BAE were to analyze where this growth has taken place compared to household income. The 1990 Census reported that 27% of the households in Mountain View had low, very low, or extremely low incomes. Unfortunately, Table 2.4 "Household Income 2008" on page 8 does not allow a comparison between 1990 and 2008 to be made. This would be helpful in shedding further light on overcrowding, owing to the decrease in housing units for these income groups in recent years (see below.)

On page 11, BAE concludes that "Mountain View has experienced strong employment growth in recent years." and "Employment in Mountain View is concentrated in the information sector and the professional scientific and technical services sector." We observe from the report that other jobs with probably lower incomes, have also increased, although they tend to be smaller in total number. Examples include: wholesale trade up 25.7%, health care and social assistance up 38.7%, and accommodation and food services up 18.7%. These jobs affect the jobs to housing imbalance, but in contrast to the more glamorous jobs highlighted in BAE's report, the imbalance is focussed at the low income end of the housing spectrum. This point is worth making in view of the reduced supply of affordable housing for low income families and individuals.

On page 18, BAE concludes "There are a moderate number of soft story buildings in the City which can be particularly vulnerable to collapse and failure during earthquakes ..... Approximately 19 percent of multifamily buildings in Mountain View are soft story buildings. This situation is not only of concern to those families who live in such buildings, most of whom are probably of low income, but also presents an opportunity to add to the stock of affordable housing in the city. The Affordable Housing Strategy (May 2006) has as one of its main conclusions that "acquisition and preservation (which may include the rehabilitation of older rental units) is the most cost-effective option and does not require new land on which to develop affordable rental housing." We recommend that this approach be included in BAE's recommendations, and that suitable

sites be identified for acquisition and preservation, including upgrading. For example, an opportunity was recently available when the project to demolish the apartments at 291 Evandale and convert them into condos failed. Unfortunately, the city chose not to offer this opportunity to a non-profit developer, so that affordable low income housing could be retained on the site.

We also recommend that BAE make available studies and reports that describe cost effective retrofit approaches to making buildings safe short of demolition and rebuilding.

On page 30, BAE concludes "Due to Mountain View's high sales prices and monthly rents housing remains largely unaffordable for many very low low and moderate income households " and "High housing costs can force households to overpay for housing or live in overcrowded situations."

We agree with these conclusions, but recommend that BAE bring their analysis up to date to 2008, since their conclusions on overpayment and overcrowding rest largely on 2000 data. In our view, the situation has become significantly worse since then, especially in the low income categories. Not only has the supply of new low income affordable housing been very inadequate over the period of the last two Housing Elements (1988 to 2006), but low income apartments have been demolished for conversion into condos. Specifically, over the period 1988 to 2006, 428 low and very low income units were built in Mountain View (only 19% of total RHNA in those income categories), compared to only 11% of the actual RHNA total built in all income categories. Meanwhile, from 2000 to 2006, 411 rental units were approved for demolition and another 93 units were converted to condos, amounting to a net loss of approximately 76 low income rental units since 1988. This reduction in supply combined with the strong market conditions contribute to the difficult housing conditions for low income households. The data in this paragraph comes from various City staff reports.

We recommend that BAE update their data, and take a closer look at the specific supply demand situation for the low income housing. We also recommend that BAE include an estimate of the housing needs of low income families who are forced to live "doubled up" with other families or in spare garages.

On page 49, BAE concludes that "Very low income elderly renters have the highest incidence of housing cost burden" and "There is a need for affordable senior housing for both independent and assisted living facilities. While there are a number of subsidized independent senior housing projects, affordable assisted living in Mountain View is virtually nonexistent."

Since there are now 704 affordable apartments for seniors (65% of the total of all subsidized units in the City), it appears to us that seniors are reasonably well provided for with this type of facility. We recommend that BAE identify the facilities now offering affordable independent living, and analyze in more detail the need for additional units, if any, as well as the need for assisted living facilities.

On page 49, BAE conclude that "Mountain View has a relatively small proportion of large households. While there are more large renter households than owner households in Mountain View, the City's housing stock includes more large owner occupied units than renter occupied units suggesting a possible mismatch between supply and demand for large rental units."

We recommend that BAE update their data on this topic from 2000, as we have observed that there has been no addition to the supply of affordable rental units for larger low income families for many years. The last net addition of family rental housing in Mountain View was in 1980 when the Shorebreeze apartments were opened. The City has recognized this deficiency by approving the rental family housing project on Evelyn Avenue. However, this project will at most provide only 50 units, a very small move in the direction of correcting a generation long deficiency.

On page 49, BAE concludes that "According to the January 2007 Santa Clara County Survey, 122 homeless individuals identified themselves as Mountain View residents" and "Mountain View currently does not have an emergency homeless shelter."

We agree with the statement in the report that the 2007 count of the homeless in Mountain View underestimates the actual population. Many homeless spend the night in the Sunnyvale Armory during the winter, and not be included as being of Mountain View origin. We conclude that more adequate facilities for the homeless are needed in Mountain View, and recommend that an "Opportunity Center" similar to the one in Palo Alto be considered. We have proposed to the Community Development Department that the site at 100 Moffett Boulevard be redeveloped for such a purpose. Since Santa Clara County Social Services currently occupies the site, interim accommodation would be required for those services during any construction there.

We agree with BAE's conclusion on page 68, that the current requirements for site size and the payment of parking fees may act as constraints to the production of companion units. We recommend that the current ordinance be revised to remove this limitation.

We agree with BAE's conclusion on page 68 that, contrary to some academic studies, Mountain View's Inclusionary Housing Ordinance offers flexibility to developers and does not pose a constraint to production.

However, we recommend that BAE evaluate the current in-lieu fee policy. We conclude that the fee is so low that it does not encourage the production of actual housing units. Instead in-lieu fees offer a very a low cost option to developers and tend to pile up in the City's coffers unused. This is in contrast to the steadily growing supply of affordable BMR housing units achieved with a policy of requiring higher in-lieu fees by neighboring cities such as Sunnyvale and Palo Alto.

We are concerned that there is no consideration of the City's plans to improve its sustainability, and how this is affected by the housing situation, especially in view of the large increase in the jobs to housing ratio between 2003 and 2008 (page 11.) We recommend that you include an estimate of the housing needs of workers who are forced to commute from outside the City to jobs in Mountain View. Displaying this data in terms of the miles driven by workers of different income categories would highlight how the reduced supply of affordable housing affects sustainability.

On page 51, BAE discussed RHNA requirements as defined by ABAG for the period 2007-2014. It seems to us that such a discussion is incomplete without an explanation and analysis of the fact that these projections do not take into account past performance against previous ABAG goals, and the accumulating very large shortage of low income affordable housing.

We thank you for the opportunity to comment on this long and very important report.

Sincerely,  
Roy G. Hayter  
Chair, Advocates for Affordable Housing

CC:  
Randy Tsuda  
Martin Alkire  
Scott Plambaeck  
Bay Area Economics

## **Staff and Bay Area Economics (BAE) Response to comments form Advocates for Affordable Housing**

Below are comments from Advocates for Affordable Housing (AAH) regarding the April 22 Draft Housing Needs Assessment and Constraint Report, with responses from BAE and staff noted in italics. AAH also provided policy recommendations in their comments. The policy recommendations will be discussed at a later date when the draft goals, policies, and implementation programs are developed.

1. We encourage BAE to expand the use of data from 2008 and to analyze additional housing trends since 2000.

*BAE used the latest data available in the report. As new data becomes available, such as the 2009 Santa Clara County Homeless Survey, it will be incorporated into the report.*

2. BAE concludes "Mountain View has experienced more moderate growth compared to Santa Clara County and the Bay Area as a whole. Between 1990 and 2008 the City's population increased by 10 percent from 67,460 to 73,932." It would be very helpful if BAE were to analyze where this growth has taken place compared to household income. The 1990 Census reported that 27% of the households in Mountain View had low, very low, or extremely low incomes. Unfortunately, Table 2.4 "Household Income 2008" does not allow a comparison between 1990 and 2008 to be made. This would be helpful in shedding further light on overcrowding, owing to the decrease in housing units for these income groups in recent years.

*The income distribution would not specifically address the question about overcrowding, since income distribution doesn't provide information for household size or those living in overcrowded situations.*

3. BAE concludes Mountain View has experienced strong employment growth in recent years" and "Employment in Mountain View is concentrated in the information sector and the professional scientific and technical services sector." We observe from the report that other jobs with probably lower incomes have also increased, although they tend to be smaller in total number. This point is worth making in view of the reduced supply of affordable housing for low income families and individuals.

*Additional discussion about other jobs has been incorporated into the report and the draft findings.*

4. On page 49, BAE concludes that "Very low income elderly renters have the highest incidence of housing cost burden" and "There is a need for affordable senior housing for both independent and assisted living facilities. While there are a number of subsidized independent senior housing projects, affordable assisted living in Mountain View is virtually nonexistent." Since there are now 704 affordable apartments for seniors (65% of the total of all subsidized units in the City), it appears to us that seniors are reasonably well provided for with this type of facility. We

recommend that BAE identify the facilities now offering affordable independent living, and analyze in more detail the need for additional units, if any, as well as the need for assisted living facilities.

*Mountain View does offer a number of senior housing resources. However, according to Mid-Peninsula Housing Coalition, a non-profit organization that owns and operates six independent senior housing developments in the City, all the affordable projects for seniors have waiting lists. In addition, there are no affordable assisted living facilities for seniors.*

5. BAE concludes "Due to Mountain View's high sales prices and monthly rents housing remains largely unaffordable for many very-low low and moderate income households "and "High housing costs can force households to overpay for housing or live in overcrowded situations." We agree with these conclusions, but recommend that BAE bring their analysis up to date to 2008, since their conclusions on overpayment and overcrowding rest largely on 2000 data. We recommend that BAE update their data, and take a closer look at the specific supply demand situation for low income housing. We also recommend that BAE include an estimate of the housing needs of low income families who are forced to live "doubled up" with other families or in spare garages.

*Due to the current economic downturn, the presence of overcrowding may have increased due to rising unemployment and foreclosures. However, more recent data about overpayment and overcrowding is unavailable.*

6. We are concerned that there is no consideration of the City's plans to improve its sustainability, and how this is affected by the housing situation, especially in view of the large increase in the jobs to housing ratio between 2003 and 2008. We recommend that you include an estimate of the housing needs of workers who are forced to commute from outside the City to jobs in Mountain View. Displaying this data in terms of the miles driven by workers of different income categories would highlight how the reduced supply of affordable housing affects sustainability.

*Commute patterns have been added to the report. The latest data is from the 2000 Census, which states that 85 percent of workers that work in Mountain View commute to the City.*

7. BAE discussed RHNA requirements as defined by ABAG for the period 2007-2014. It seems to us that such a discussion is incomplete without an explanation and analysis of the fact that these projections do not take into account past performance against previous ABAG goals, and the accumulating very large shortage of low income affordable housing.

*The RHNA numbers are not cumulative. ABAG calculates new numbers for each RHNA cycle. Discussion of the success of past policies has been discussed by the EPC at a previous meeting and will be included in the Draft Housing Element.*